THE Soybean Digest

Members of the Spanish team at the annual banquet.

Report on

ASA's 38th Convention

Sandra Mayer of Fort Wayne, Ind., and Javier de Salas, Madrid, Spain, pose picture of international friendship.

SEPTEMBER
1958

VOLUME 18

NUMBER 11

Carl Urban, coast-to-coast bicycle rider on a soybean diet, arrives at the convention.

Some members of the Italian team.

On the air at Station WHO. L. to r., Shizuka Hayashi, Tokyo; news commentator Chet Randolph; Javier de Salas, Madrid, Spain; and Francisco Sintes, Madrid.

AMSCO IS FIRST in solvents

FIRST because . . .

AMSCO offers you the most complete line of petroleum solvents in America.

AMSCO representatives are experienced, trained in solvent application and equipped to serve you better.

AMSCO research laboratories work constantly to improve present products and to develop new products better suited to your exact need.

AMSCO can deliver solvents in any quantity to wherever you specify, quickly, economically.

Why not let AMSCO serve you? Just call or write the AMSCO office nearest you.

AMERICAN MINERAL SPIRITS COMPANY

NEW YORK • CHICAGO • LOS ANGELES

Chicago, Illinois, 230 N. Michigan Ave.—ANdover 3-3050

THE Soybean Digest

REG. U. S. PAT. OFF.

Official Publication of American Soybean Association and Soybean Council of America, Inc.

HUDSON, IOWA

Vol. 18 | September, 1958 | No. 11

IN THIS ISSUE

THE SOYBEAN DIGEST

EDITOR ..... *Geo. M. Strayer*

MANAGING EDITOR ..... *Kent Pellett*

BUSINESS MANAGER ..... *Geo. McCulley*

OFFICES

Business, publication and circulation, Hudson, Iowa. TAylor 5-3296.

Advertising, Ewing Hutchison Co., 35 E. Wacker Drive, Chicago 1, Ill., ANdover 3-3042. Walter C. Elly, Inc., 70 E. 45th St., New York 17, N. Y. MUrray Hill 9-0372.

Published on the 10th of each month at Hudson, Iowa, by the American Soybean Association. Entered as second class matter Nov. 20, 1940, at the post office at Hudson, Iowa, under the Act of Mar. 3, 1879.

Forms close on 20th of month preceding.

Subscription rates—$5 per year; Canada and other members of the Pan American Union, $5.50 other foreign, $6. Single copies 50c. Subscriptions accepted from members only.

Refer all address changes, undeliverable copies and subscriptions to the Soybean Digest, Hudson, Iowa.

THE AMERICAN SOYBEAN ASSOCIATION

PHONE: *TAylor 5-3296*

CABLE ADDRESS:
Agriport, Hudson, Iowa

PRESIDENT
John Sawyer, London, Ohio

VICE PRESIDENT
C. G. Simcox, Assumption, Ill.

EXECUTIVE VICE PRESIDENT AND SECRETARY-TREASURER
Geo. M. Strayer, Hudson, Iowa

DIRECTORS: Jake Hartz, Jr., Stuttgart, Ark.; C. G. Simcox, Assumption, Ill.; John H. Butterfield, Pana, Ill.; Albert Dimond, Lovington, Ill.; Ersel Walley, Fort Wayne, Ind.; Chester B. Biddle, Remington, Ind.; Geo. M. Strayer, Hudson, Iowa; Howard L. Roach, Plainfield, Iowa; Walter M. Scott, Jr., Talullah, La.; John W. Evans, Montevideo, Minn.; Charles V. Simpson, Waterville, Minn.; O. H. Acom, Wardell, Mo.; John Sawyer, London, Ohio; David G. Wing, Mechanicsburg, Ohio; A. E. Jolley, Chatham, Ontario, Canada.

Objectives of the American Soybean Association include the bringing together of all persons interested in the production distribution and utilization of soybeans; the collection and dissemination of the best available information relating to both the practical and scientific phases of the problems of increased yields coupled with lessened costs; the safeguarding of production against diseases and insect pests; the promotion of the development of new varieties; the encouragement of the interest of federal and state governments and experiment stations; and the rendering of all possible services to the members of the Association.

INDEX OF ADVERTISERS

ANALYTICAL SERVICE TO THE SOYBEAN INDUSTRY SINCE 1935

With

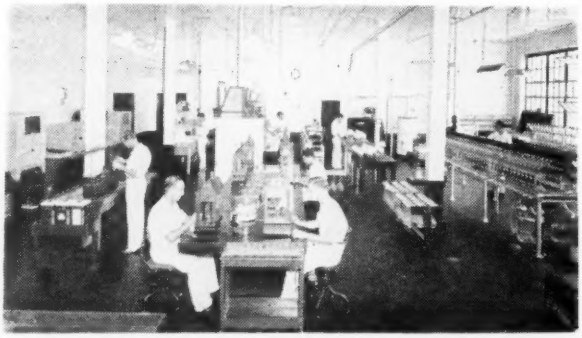
7

Chemical Laboratories

CHICAGO 19, ILL.
1526 East 75th St.

DES MOINES, IOWA
1514 High St.

CAIRO, ILL.
4007 Sycamore St.



LITTLE ROCK, ARK.
412 W. 7th St.

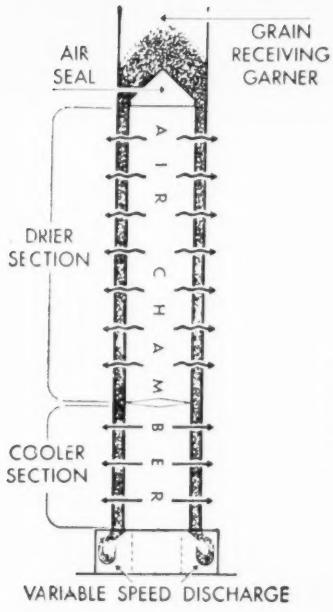
CLARKSDALE, MISS.
75 Sunflower St.

WILSON, ARK.

MAIN OFFICES AND LABORATORIES: 265 SO. FRONT ST., MEMPHIS, TENN.

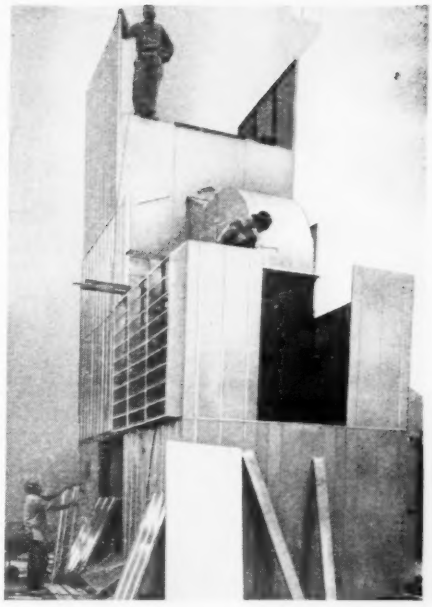
WOODSON-TENENT LABORATORIES

Official Chemists for the Chicago Board of Trade
Official Chemists for National Soybean Processors Association
Specializing in Soybean Oils – Cake – Meals – Feeds
"Over 2 million samples analyzed since 1935."



Cut-a-way drawing shows Shanzer's exclusive, narrow screen column design principle. All the grain is near warm air source for absolute drying uniformity and tremendous capacity. All the grain is completely contained; no ledges, no obstruction to either grain or air flow. Complete drying and cooling cycle is open to operator's inspection.

Shanzer installations can readily be custom-fitted to specific plant requirements. All parts are die-punched for true erection and easy interchange. Enclosures are of modular type design. Every installation is permanently registered as to customer, parts and special modifications for fast, accurate, service attention.

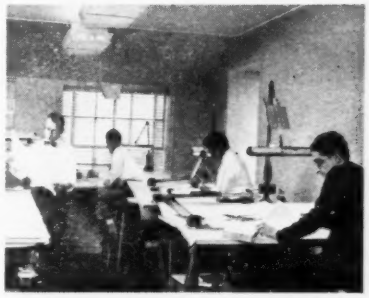


WHY YOU GET MORE FOR YOUR DRIER DOLLAR WITH A SHANZER

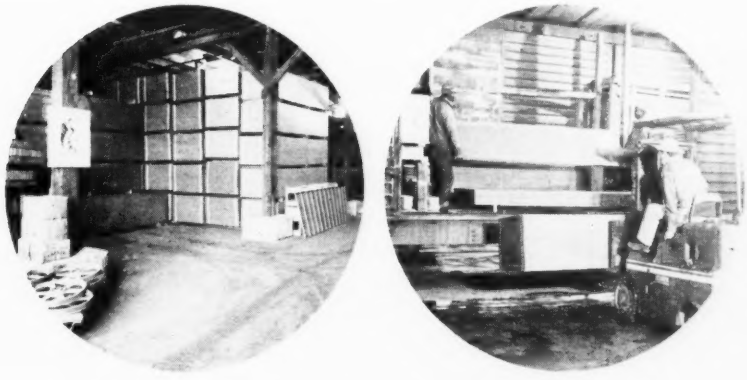
On the job performance value and company service are often cited by elevator owners and operators as reasons for their overwhelming preference of Shanzer drying units.

Behind this loyalty is Shanzer's quarter-century policy of specialization in the manufacture of quality grain drying equipment. Owners know that a Shanzer unit means more uniform drying, lower maintenance and operating cost, trouble-free performance and outstanding operating safety.

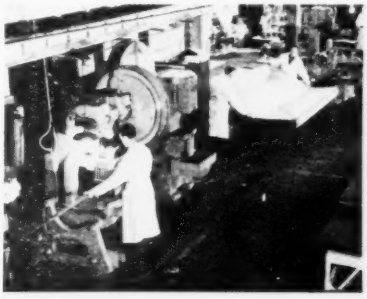
Shanzer's severest competition does in fact come from other Shanzer units, some a decade or two decades "new," which are still delivering top economy and performance. Talk with a Shanzer owner, see the difference, you'll agree the value buy in driers is a Shanzer.



Complete planning assistance on such things as drier layout, flow problems and special handling equipment has saved thousands of dollars for customers in many instances. Shanzer's quarter-century experience and fully staffed engineering department are at your call.



Fast processing and shipment of your order is another result of Shanzer drier specialization. Fully stocked inventories mean there's no delay in shipment, with the needed unit on the way in most cases within 24 hours!



Specialized manufacturing methods and equipment assure the highest quality obtainable in grain drying machinery. Every part must pass a rigid double check before final clearance, and insurance records show Shanzer driers to have the finest safety rating in the industry.

SHANZER MANUFACTURING COMPANY

Designers and Manufacturers of Stationary and Portable Grain Driers, Bucket Elevators, Conveyors and Manlift Elevators

85 Bluxome Street • San Francisco 7, California • Phone SUtter 1-5200

SHANZER

Send for Free Folder giving full details

If you're building for permanent soybean extraction profits . . . investigate this lower-cost solvent system!

Crown's highly efficient plants *cost less* to install and operate because we use standard, readily-available materials almost completely. These units are duplicated exactly in each of the sturdy "Add-A-Unit" sections to build a compact mill in a small space. This way, you get efficient multiple construction of 40, 80, 120, 160, 200 or more ton capacity . . . and you pay only for what you need *when you need it!* Later, you can expand with the assurance that all newly-added units will produce the same uniformly-high quality results as before.

Each Crown plant is so nearly automatic that a man can run it at top efficiency after a short training period. Crown's exclusive features, including a continuous vent gas scrubber and a waste water reboiler, hold solvent losses to a minimum. If you're looking for the *best* in operating convenience, economy and appearance *plus* the flexibility to keep up with increased requirements . . . be sure to check on a Crown installation *first!*

For complete details send today for a free copy of the catalog "Crown Solvent Extraction Plants".

CROWN IRON WORKS CO.

1229 Tyler Street Northeast • Minneapolis 13, Minnesota

THE NEWS IN BRIEF

THE CROP, MARKETS AND OTHER ITEMS OF NOTE

Fats, Oils Supplies up Next

Aug. 1 indications are that supplies of edible fats, oils and oilseeds will set a new record in the 1958-59 marketing year beginning Oct. 1, according to the U. S. Department of Agriculture. Beginning stocks of food fats (including the oil equivalent of soybean stocks) are likely to be up 20% from last year's level. **Soybean supplies are expected to increase by 66 million bushels**—about 10 million due to a larger carryover from this year and a 56-million larger 1958 crop. This is equivalent to about 700 million pounds additional soybean oil.

Supplies of food fats available for export in 1958-59 will be substantially greater than the 2.6 billion pounds estimated for the year just ending. While it is still too early to estimate the 1958-59 season exports, sales for dollars plus exports under Public Law 480 are expected to result in a heavy outward movement. But competition in world markets is likely to continue keen.

Farm prices for soybeans during most of the 1958 harvesting season probably will average near the national support level of $2.09 per bushel, USDA notes.

Although total demand for beans will likely rise to a new peak next year, end-of-year carryover stocks Oct. 1, 1959, probably will be at a record level.

Japanese Imports of Soybeans

Japan's imports of soybeans for the 1958 fiscal year, which began Apr. 1, will be cut from 771,000 metric tons to 751,000 tons, with 349,000 to be imported in the October-to-March period, according to a revised program submitted to the Japanese Ministry of International Trade and Industry on Aug. 26. The estimated imports for the first half of the fiscal year are 402,000 tons.

The Japanese Ministry of Agriculture has authorized imports of about 150,000 metric tons of soybeans for the second quarter (July to September) of the Japanese 1958 fiscal year, bringing the total approved for the first 6 months to 300,000 metric tons, USDA reports.

The Japanese oil processing trade, which prefers U. S. soybeans because of their higher oil and protein content, is concerned over the possibility that trade relations will be resumed with Communist China, and that **late this fall or early in 1959 Japan may purchase 265,000 metric tons of soybeans from Communist China** in exchange for steel and steel products. The trade is said to be pressing for continuance permanently, if possible, of the global system, which allows a trading firm to buy soybeans from any country with which Japan has trade relations.

Japan's 1958 soybean crop is estimated at 17.5 million bushels, 4% larger than the 1957 crop of 16.9 million bushels.

Improvements At Port of New Orleans

Contemplated expenditure of $9 million in projects during 1958, 1959, and 1960 to improve service at the Public Grain Elevator, Port of New Orleans, has been announced by Robert W. French, director of the Port.

French points out that growth in the grain business through the Port has been fairly steady until this year, when grain shipments increased 43% in the fiscal year ending June 30. He said two factors resulted in the emergency precipitated in June when there was substantial demurrage on grain vessels and barges at New Orleans. These were the unexpectedly drastic shift in in-movement from rail to barge, and the fact that the volume of grain handled at the elevator rose contra-seasonally. Between 10 and 11 million bushels were handled at the elevator in both June and July, placing these months among the record high-volume months of the elevator.

French says that as the result of emergency and short-run measures the situation has already begun to improve and substantial relief will be obtained in time to accommodate the heavier movements expected this fall.

New equipment to be added includes a standard marine leg to be completed early this fall, soybean cleaning equipment and additional storage and conveyor equipment that will increase storage 2.2 million bushels to give a gross storage capacity for the Public Grain Elevator of about 7.5 million bushels, French says.

Council Program in Germany

A cooperative agreement for a program to develop and expand the German markets for U. S. soybeans and soybean products has been reached between the Soybean Council of America, Inc., and the German Oil Millers Association.

The agreement was signed by Howard L. Roach, Council president, and Theo. Dreschers, president, and Gerhard Salzwedel, vice president, of the German Oil Millers Association.

Activities to be undertaken jointly by the Council and the German Association will include promotion and development of the most efficient ways to use soy products through demonstrations, publicity and sales promotion; cooperation with established German research institutions in feeding experiments, and with the German mixed feed industry in the development of the most efficient livestock rations utilizing soybean products; participation in German agricultural and trade fairs; and an exchange of German and U. S. experts. Activation is expected within a few weeks.

German sources have agreed to defray at least half the cost of the program, the balance being borne by USDA's Foreign Agricultural Service through the usage of foreign currencies derived from the sale of agricultural products under Public Law 480.

There'll be a display of U. S. soybeans and soybean products at the Munich, Germany, food fair Sept. 25-Oct. 5.

Crop May Be Over-Estimated

There is considerable belief in the trade that the 1958 soybean crop has been overestimated. Aug. 1 soybean yield estimates typically vary sharply from final yield estimates, the University of Illinois grain marketing staff notes. **Starting so high this year they are more apt to go down than up.**

But, "It seems clear at this time that 1958 soybean production will be more than large enough to fill all requirements. The only pertinent question is how large the carryover will be. At this time it looks as if we will need about 480 million bushels for processing, export and seed in 1958-59." (Out of a total of 556 million bushels, if USDA's Aug. 1 estimate is correct.)

Some Late Reports on the 1958 Crop

Archer-Daniels-Midland Co. reported the first field combined, an early variety in northeast Missouri, the last week of August. Went 35 bushels. Some last of August reports:

Weather Bureau: Soybeans are showing the effects of the hot, dry weather of the past month in North Dakota. The crop is in fair condition in the dry western portion of Minnesota and fair to good in other producing areas in the state. South Dakota reports the need of good rains and 4 frost-free weeks. **Elsewhere in the commercial belt, the crop is in generally good condition.** Pods have formed on 80% of the acreage in Kansas and 90% in Iowa. Leaves are turning yellow on 30% of the fields in Illinois and 10% in Indiana.

Arkansas Weekly Weather and Crop Bulletin: A turn to cooler weather has aided the fruiting of soybeans. Early beans are setting a heavy crop of pods and late beans show improved prospects. Most fields have sufficient moisture.

Iowa Weekly Weather and Crop Bulletin: 90% of soybeans showing pods by Aug. 25, same as the 10-year average.

An important forward step in the service of grain men

How the formation of Simon-Carter Co. Benefits the Grain Industry

An industry that depends on efficiency, accuracy and precision in the cleaning, separating and grading of granular materials depends very greatly on machines—and on the engineering, designing and manufacturing skills that make them.

The formation of Simon-Carter Co. brings together into one organization two of the greatest pools of such skills serving the grain, seed and milling industries today. To each individual unit in these industries the new company means broader facilities in plant engineering, in machine design, production and installation, and in operational services.

All that Hart-Carter or Simon has meant to your company is held in new organization

Simon-Carter Co. is jointly and equally owned by Hart-Carter Co. of Peoria, Illinois, and Henry Simon (Holdings) Limited of Great Britain. The new company takes over Hart-Carter's industrial machinery division with its 2 Minneapolis manufacturing plants, the American operations of Henry Simon Ltd., and, under the name Hart Emerson Simon Ltd., the Canadian operations of Hart-Emerson Ltd. Simon-Carter is strictly a United States based and operated company. It will continue to feature all of the unique and exclusive principles of separating, grading and classifying represented in world-famous Hart and Carter machines as well as equipment of Simon design. Expansion of plant and office space is planned at Hart-Carter's former Minneapolis headquarters and all personnel of both predecessor organizations are now a part of the enlarged Simon-Carter family for the service of all Hart-Carter and Simon customers.

Simon-Carter is ready—and anxious—to help you— The full service of the expanded Simon-Carter organization is yours to command. Laboratory testing service is free. Literature on individual machines is available for the asking. Please write.

SIMON-CARTER COMPANY

689 Nineteenth Avenue Northeast • Minneapolis 18, Minnesota

HARRY WILLIS MILLER HONORARY LIFE MEMBER 1958

Dr. and Mrs. Miller and Madam and Generalissimo Chiang Kai-shek.

Dr. H. W. Miller in Libya, 1957.

DR. HARRY WILLIS MILLER, director of the International Nutrition Research Foundation, Arlington, Calif., was born 79 years ago in Ludlow Falls, Ohio. Although renowned as one of the world's leading thyroid surgeons, he also has spent many years in soybean research and has done much to perfect and promote soybean food products on the American market.

As a medical missionary sent to pioneer the work of Seventh-Day Adventists in China from 1903 to 1911, he wondered how he could aid the millions of undernourished Chinese children—hundreds of infants dying daily from malnutrition.

After years of investigation and practical experimentation with one of the most staple foods in China, he discovered a method of "milking" soybeans and perfected a palatable formula suitable for both infants and adults.

The response to the product was spectacular. To meet the immediate demand machinery was shipped to China, and under Dr. Miller's management the first modern vegetable mill plant in the world was put into operation. Until the outbreak of war in Shanghai in 1937, fresh soybean milk was delivered daily to hundreds of homes in Shanghai.

ASA's 38th Meeting

For the service he rendered to the people of Free China in saving the lives of countless thousands of infants with the use of soybean milk and for his untiring efforts in establishing a dozen or so sanitariums-hospital clinics in the Orient, he has received National China's highest honor. In 1956 Dr. Miller was decorated with the Brilliant Blue Star by Generalissimo Chiang Kai-shek himself.

Although Dr. Miller has certificates to practice medicine in nine of the 49 states and 11 foreign countries, and even at his age retains a steady hand for surgery cases, he continues to devote much time to the development and perfection of soybean foods.

Despite his full life as a general medical practitioner, and many years spent superintending numerous Chinese sanitarium-hospitals, serving as president of the Seventh-Day Adventist mission in prewar China, managing and editing the Chinese Signs of the Times, authoring many medical books and articles, and lecturing around the world, he has managed to continue his soybean research and experimentation whatever his location.

From 1939 to 1950, while medical director of the Mount Vernon, Ohio, sanitarium and hospital, he opened a research laboratory where he developed a new improved soy milk, soy-olive sandwich spread, and numerous other nutritious foods made from soybeans and grains, and initiated the International Nutrition Laboratory of America which later became the INRF which he has heavily endowed.

In 1951 he sold his growing soybean food industry to the Loma Linda Food Co. and came to Arlington, Calif., where he now makes his home and spends as much time as possible in the new laboratory placed at his disposal by Loma Linda.

Two years ago, the World Health Organization became interested in Dr. Miller's progress in developing a superior soy milk and modeled a million-dollar factory in Indonesia after the Loma Linda food factory which he had pioneered in Mount Vernon, Ohio. At the present time WHO is also providing $30,000 for an intensive 2-year infant nutrition research program at a leading U. S. hospital using his soy milk formula.

Since his appointment as director of the International Nutrition Research Foundation, his laboratory and experimental work has been frequently interrupted to answer pleas for help from his medical colleagues in foreign lands. From 1954-1956 he went to Penang and Formosa to serve as medical director

and surgeon of the hospitals there, took a similar post for 2 months in Trinidad in 1956, another in Libya in 1957, and he is now filling the post of medical director and surgeon at the Tokyo Sanitarium-Hospital in Japan during a 6-month leave of absence by an SDA medical-missionary.

Despite his present busy daily routine at the sanitarium he is continuing his work with soybeans and has a nearby tofu shop deliver soy milk daily to the sanitarium in 5-gallon containers. Since his arrival he has introduced soy whipping cream for daily use at the sanitarium and routinely prescribes soy milk to allergic Chinese infants. He writes that he was surprised to find that the soy milk he helped perfect for the Loma Linda Food Co. is now obtainable by military personnel at the U. S. army post exchanges in Japan.

While other men have rightly taken up golf, tennis, fishing, or other hobbies, Dr. Miller has devoted most of his spare time to research and development of vegetable foods. "Soybeans have been my lifetime hobby," he declares. Small wonder he is known from East to West as the man who gets "milk from an iron cow."

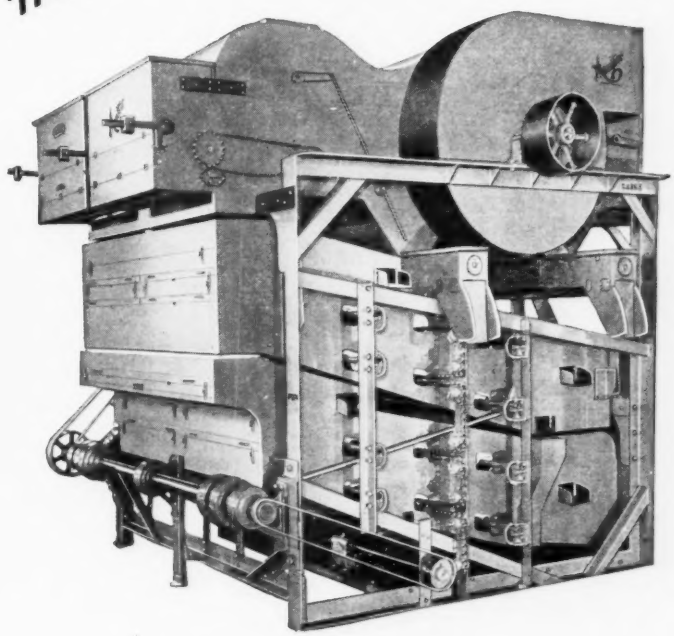
* * *

Over the years Dr. Miller has been among the most active supporters of the American Soybean Association. He was chosen an honorary life member of the Association at the Des Moines convention. The award was made in his absence in Tokyo during the annual banquet. He was the 25th member of the American Soybean Association so honored.

C. G. Simcox presents honorary life membership award to C. P. Miles, manager Loma Linda Food Co., Mt. Vernon, Ohio, in behalf of Dr. H. W. Miller. Award will be formally presented to Dr. Miller in Tokyo by Shizuka Hayashi, managing director of the Japanese American Soybean Institute.

CLEAN SOYBEANS—

Mean GREATER PROFITS—



Monitor "Q" Type

Soybean Master Cleaner

REGISTERED TRADE-MARK

Capacity range from 3,000 to 8,000 bushels of small grain per hour.

Monitor Separators

Are manufactured in sizes to provide for capacities from

70

to

8,000

bushels of small grain per hour.

Soybean processors and grain handlers find this advanced design in receiving separators to be exceptionally efficient.

Special construction enables operator to secure 50% greater capacity than can be obtained with respective sizes in other types.

Salient features are heavy structural steel frames, fully ball bearing, positive cleaning device under all main and split screens.

Write for Literature and Prices

HUNTLEY MFG. CO.

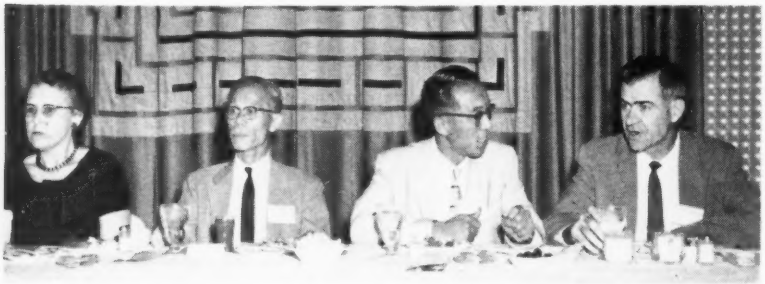
BROCTON, N. Y.

SPECIAL REPRESENTATIVES: Hollywood, Florida—W. B. Sutton, 1401 South 25th Avenue; Bala Cynwyd, Pa.—H. J. Griffin, P.O. Box 141; Duluth 4, Minn.—O. W. Olsen, 528 N. 41st Avenue East.

ASA'S 38th

Convention Reflects Worldwide Scope of Soybean Industry

At the head banquet table: ASA President and Mrs. John Sawyer, London, Ohio; NSPA President R. G. Houghtlin, Chicago; and ASA Vice President C. G. Simcox, Assumption, Ill.



Mrs. C. G. Simcox, Assumption, Ill.; Shizuka Hayashi, Tokyo; Hideo Tokoro, agricultural secretary, Japanese Embassy, Tokyo; and George A. Parks, Foreign Agricultural Service, USDA, Washington.

R. S. Dunham, University of Minnesota, makes a report on weeds at the National Crop Improvement Council advisory board meeting.

THE AMERICAN Soybean Association's 38th was a good convention.

Total registration was the largest in several years and attendance was substantial at all sessions.

The convention, and the annual meeting of the National Soybean Processors Association that preceded it, reflected the wholehearted cooperation within the soybean industry and its present worldwide scope.

Many of the speakers had recently been abroad and some were soon to depart on foreign assignments. Visitors included the two teams from Spanish and Italian livestock feed and vegetable oil industries who spent the next 10 days becoming acquainted with the production, handling and processing of soybeans in Iowa.

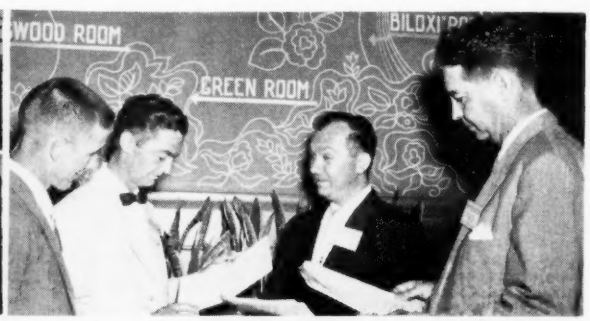
ASA's 38th Meeting

The processor group met at Hotel Fort Des Moines in Des Moines Aug. 18 with the National Soybean Crop Improvement Council advisory board meeting at the same time. And the ASA meeting followed on Aug. 19 and 20. This was the fifth successive year in which the groups have held joint meetings.

Twenty-three states, Washington, D. C., and six countries in addition to the United States were represented at the ASA meeting. The countries were Canada, Turkey, Italy, Spain, England and Japan.

All ASA officers were reelected.

Lew West, Farmer City Grain Co., Farmer City, Ill.; John H. Butterfield, Pana, Ill.; and Howard McWard, Illinois Grain Corp., Chicago.



Harold Rissler and Delbert Roberts, North Iowa Cooperative Processing Association, Mason City; and George W. Kromer and Harland Doughty, agricultural economists of the U. S. Department of Agriculture.

Serving for another year are:

President, John Sawyer, Orleton Farms, London, Ohio.

Vice president, C. G. Simcox, Assumption, Ill.

And executive vice president and secretary-treasurer, Geo. M. Strayer, Strayer Seed Farms, Hudson, Iowa.

Reelected to the board of directors for 2-year terms were: Strayer; John H. Butterfield, Pana, Ill.; Ersel Walley, Fort Wayne, Ind.; Walter M. Scott, Jr., Tallulah, La.; O. H. Acom, Wardell, Mo.; and David G. Wing, Mechanicsburg, Ohio.

The Association adopted changes in the Articles of Incorporation to clarify the objectives of the Association for purposes of tax liability, and to allow the election of a maximum of 25 men to the board of directors in place of the previous upper limit of 15.

No additional members were named to the board this year, however.

ASA President Sawyer was toastmaster at the annual banquet, which featured musical numbers by the Hawkeye Four and Audrey Devine, radio-TV talent.

Seymour Davis, Oklahoma City, Okla., comedian, was the banquet speaker. The Iowa soybean processors sponsored a reception preceding the banquet.

Committees responsible for the success of the convention:

Nominations—David G. Wing, chairman; Chester B. Biddle and Jake Hartz, Jr.

Awards—C. G. Simcox, chairman; Albert Dimond and John Evans.

Resolutions—Chester B. Biddle, chairman; O. H. Acom, Howard L. Roach, Walter M. Scott, Jr., John W. Evans, A. E. Jolley, John H. Butterfield and Charles V. Simpson.

Named to Council

Producer membership on the board of directors of the Soybean Council of America will remain the same during the coming year as in the past. Producer members of the Council board are Chester B. Biddle, Remington, Ind.; John W. Evans, Montevideo, Minn.; Jake Hartz, Jr., Stuttgart, Ark.; Howard L. Roach, Plainfield, Iowa; David G. Wing, Mechanicsburg, Ohio; Albert Dimond, Lovington, Ill.; and Strayer, Sawyer and Simcox.

The annual business meeting and meeting of the board of directors of the Council will be at the Congress Hotel, Chicago, Sept. 8.

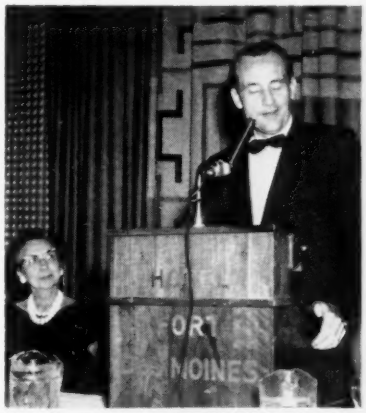
Spanish, Italian Teams

The Spanish feed and oil industry group was headed by Don Javier de Salas, Spanish director for the Soybean Council of America, Madrid, and included:

Jorge Roca, veterinary technical adviser for the poultry cooperative at Reus; Enrique Coromina, technical director for Piensos Hens, S. A., Barcelona; Jaime Mercade, director of Piensos Hens S. A., Barcelona; Juan Dorveaux, agronomist for Sandersa S. A., Madrid; Francisco Sintes, managing director for Iberexsa, Madrid; Luis Ma Xanco, manager Xanco y Calvis, Madrid; Jose Manresa, manager-director for Sandersa S. A., Madrid; and Antonio Gip, veterinary, Reus.

The Italian group was headed by

ASA registration desk. Mrs. Geo. McCulley, Geo. McCulley, ASA business manager; William Kraft, Inland Forwarding, Chicago; and Jim Fletcher, American Express Field Warehousing Corp., Chicago.



Mrs. Howard L. Roach, Plainfield, Iowa, is amused at banquet speaker Seymour Davis.

The Hawkeye Four at the banquet.

H. A. Abbott, Funk Bros. Seed Co., Bloomington, Ill.; Walter M. Scott, Jr., Tallulah, La.; and John Gray, University of Louisiana, Baton Rouge.

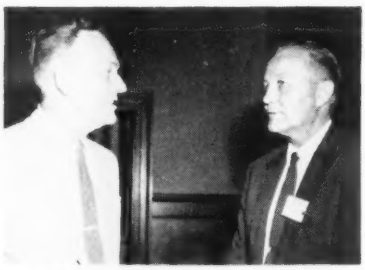
J. L. Cartter, U. S. Regional Soybean Laboratory, Urbana, Ill.; and E. E. Hartwig, Delta Branch Experiment Station, Stoneville, Miss.

A. V. Couch, Ralston Purina Co., Iowa Falls, Iowa; and Dick Seidel, Agricultural Laboratories, Inc., Columbus, Ohio.

Visiting between sessions, Ray Rowland, Ralston Purina Co., St. Louis; David G. Wing, Mechanicsburg, Ohio; W. E. Flumerfelt, General Mills, Inc., Minneapolis; Lew West, Farmer City Grain Co., Farmer City, Ill.

Bicycle rider and family at the banquet. Carl Urban, Jr.; Carl; Mrs. Urban; and Holly. Urban was riding his bicycle coast to coast on a diet of soybeans.

At the processor registration desk.



Two Milwaukee Railroad men: L. B. Horton, Chicago; and S. J. Oberhauser, Minneapolis.

Dominic Marcello, Italian director for the Soybean Council, Rome, and included:

Ubaldo Migliorini, chief inspector for the Ministry of Agriculture, Rome; Giuseppe Lina, owner of Zoolina, Parma; Cesare Aghina, nutritionist for Federconsorzii, Milan; Giuseppe Varazi, agriculture technician for Arsol, Florence; Francesco Borello, owner of Borello & F.lli., Milan; Luigi Ferrari, owner of Ditta Ferrari, Luigi at Milan; and Mario Palleschi, technical director for Federconsorzii, Rome.

While in this country the two groups visited the New York Produce Exchange, the U. S. Department of Agriculture at Washington, D. C., the USDA Research Farm and Laboratory at Beltsville, the Chicago Board of Trade, the Iowa Agricultural Experiment Station, and feed mills, soybean processing plants, terminal and country elevators, and many Iowa soybean fields and farms.

They returned home about Sept. 1.

Bicycle Rider

An unusual convention attendant was Carl Urban, 40-year-old Appleton, Wis., manufacturer, who stopped off during a nationwide bicycle tour from Los Angeles to New York City.

Mr. Urban was living on an all-soybean diet enroute, said he was seeking to demonstrate the value of soybeans as a low-cost food, and also call attention to their possibilities as a cheap storable food for civilian defense purposes.

Mr. Urban, a former amateur bike racer, was covering 100 miles a day and appeared in excellent physical condition on the soybean diet. His wife, Marion, and his two children, Carl, Jr., 15, and Holly, 12, were pacing him in the family car. Urban and his family attended the annual banquet.

Processor Assn. Reelects Officers

THE NATIONAL Soybean Processors Association reelected all officers. They are:

President, R. G. Houghtlin, Chicago, Ill.

Chairman of the board, M. D. McVay, Cargill, Inc., Minneapolis, Minn.

Vice chairman, Glenn Pogeler, North Iowa Cooperative Processing Association, Mason City.

Secretary, Don Walker, Ralston Purina Co., St. Louis, Mo.

Treasurer, H. A. Abbott, Funk Bros. Seed Co., Bloomington, Ill.

NSPA elected the following directors to serve a 3-year term: Sewall D. Andrews, Jr., General Mills, Inc., Minneapolis, Minn.; S. E. Cramer, Swift & Co., Chicago, Ill.; A. C. Hoehne, Archer-Daniels-Midland Co., Minneapolis, Minn.; W. E. Huge, Central Soya Co., Inc., Fort Wayne, Ind.; Donald C. Ogg, Iowa Soya Co., Redfield, Iowa; Harris T. Lyon, Allied Mills, Inc., Chicago, Ill.

Ralph S. Moore, Soy-Rich Products, Inc., Wichita, Kans., was elected to serve a 1-year term.

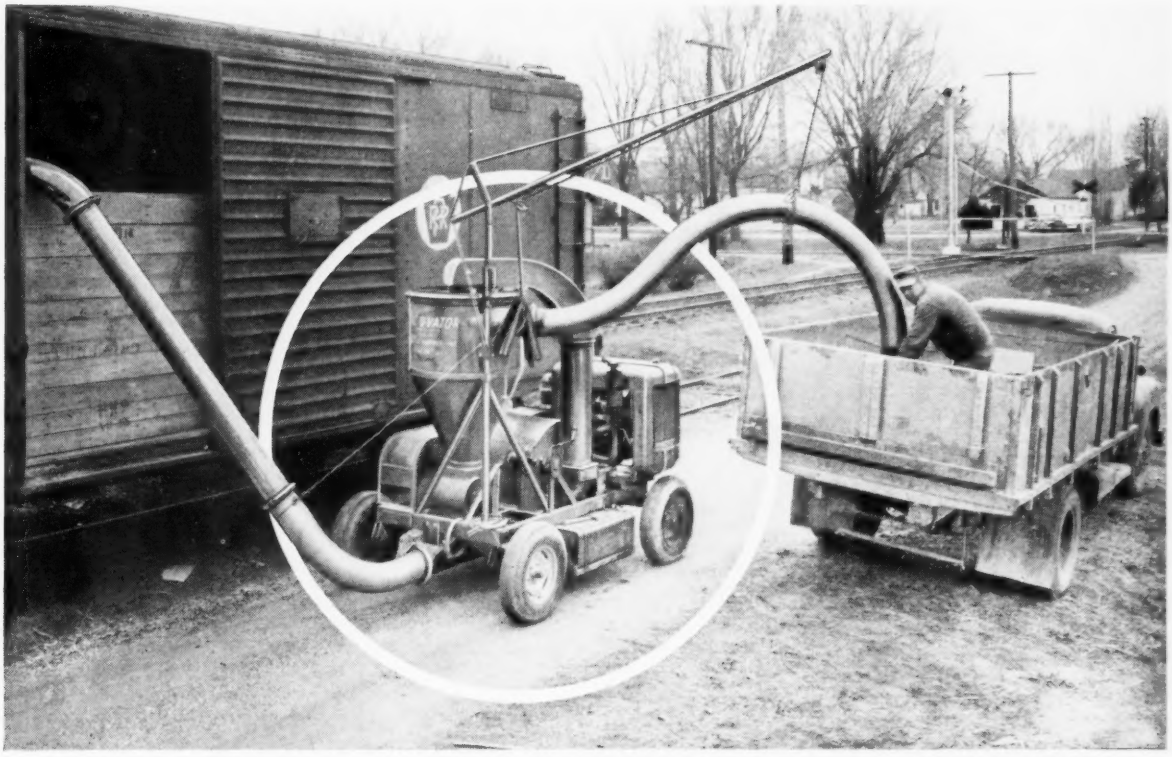
Processor members appointed to the Soybean Council include: Dwayne Andreas, Honeymead Products Co., Mankato, Minn.; Cramer; Dwight Dannen, Dannen Mills, Inc., St. Joseph, Mo.; Ralph Golseth, Lauhoff Soya Co., Danville, Ill.; Huge; M. D. McVay, Cargill, Inc., Minneapolis, Minn.; Donald B. Walker, Ralston Purina So., St. Louis, Mo.; and E. E. Rhodes, A. E. Staley Manufacturing Co., Decatur, Ill.

Output of Manufactured Feed at Alltime High

AN ALLTIME record of manufactured feed output has been established the first six months of 1958, according to W. E. Glennon, president, American Feed Manufacturers Association.

Glennon estimated total production of all types of livestock and poultry feed at 19,766,000 tons during the first half of this year. This is 9% above the 18,134,000 tons produced during the same period of 1957. The AFMA calculations are based on production reports received from feed industry firms.

Please mention the Soybean Digest when writing to our advertisers.



DON'T TAKE FOREIGN MATERIAL DISCOUNTS ON BEANS

The VAC-U-VATOR *loads* and *cleans* your soybeans in one, fast operation!

ADVANTAGES

- Loads and cleans at the same time . . . removes dust, dirt and weed seed
- Up-grade quality of your beans for added profits
- Loads up to 1800 bushels per hour . . . conveys to 300 feet . . . elevates to 75 feet
- Saves time, labor and money . . . fully portable . . . one man operation
- Unloads trucks quickly and easily . . . eliminates long waits to unload and dependency on one elevator "leg"
- Available on a special VAC-U-VATOR Purchase Plan

There's a VAC-U-VATOR field-man in your area . . . he is familiar with your local problems and would be happy to explain how a VAC-U-VATOR will profitably solve your grain handling problems. WRITE TODAY for complete information.

VAC·U·VATOR DIVISION OF DUNBAR KAPPLE INC.

WESTERN AVE. • GENEVA, ILLINOIS

John Sawyer

Report of the President . . . . . John Sawyer

ASA Prepares for Coming Further Expansion

OUR 38TH ANNUAL convention once again marks the end of a difficult and troubled year. The American Soybean Association has faced and struggled with problems old and new, has solved some, but has left many still to battle.

Our industry continues to grow with increasing difficulties as does all American agriculture. With this overall growth have come surpluses. Because we have been one industry that has absorbed many of the troubles of the other already overproduced crops, we find their increasing difficulties becoming even more burdensome to us.

Since World War II and the Korean conflict, certain crops, other than soybeans have been continuously under acreage control and in surplus. As a result of these restrictions even more acres have been converted to soybeans. This expansion of acres planted as well as better farming techniques have caused soybean production to grow from a 75-million-bushel crop prior to World War II to nearly a 500-million-bushel crop today.

ASA's 38th Meeting

Expanding our industry has alleviated pressure on other farm crops and has meant salvation for many farmers all over the United States who needed some alternate use for their restricted and otherwise idle acres. This has not come about, however, without serious results and complications to our industry.

Today our market is at what appears to be a saturation point. Nevertheless, people of our industry realize we still will have and must plan for even further expansion. To be desirable, this expansion must be gradual, orderly and with purpose. We have reached a point now where further expansion to be profitable must be accompanied by increased demand and consumption.

The problem we have been facing this last year and the one which will be paramount in the future is how to expand the world market quickly, in an orderly manner, economically and permanently, while keeping ahead of our supply and production. That this be done is a key factor in the future outcome of our industry as well as all agricultural industries of the United States.

Worldwide Market

Soybeans, fortunately, have qualities which make them a necessity not only to the U. S. consumer but to people of most countries of the world. We here in the United States have more uses for soybeans than are now being tapped. Similarly other nations of the world stand as potential users and consumers of our crop and products even though these uses are not yet fully developed.

When we speak of world potential, we are speaking of a world demand and market. We in all phases of agriculture must think of ourselves in terms of world markets. This does not exclude markets in the United States. Soybeans and soybean products have not begun to be used to their best advantage domestically. While we plan and struggle for overseas markets, we must continue to expand domestic markets. The major portion of our efforts has been and should continue to be at home. We must, however, not think of just one or the other but in terms of both domestic and world markets simultaneously.

This past year our Association has worked closely with the various users of soybeans and soybean products to increase in all possible ways the consumption of these soybeans and soybean products in the United States. As is known by many, our average livestock and poultry user could benefit by better and increased usage of protein. Those who use the soybean oil also have a potential not yet reached. It is our belief that with continued cooperation of all phases of the soybean industry we can take advantage of usages already known and proven as well as those still to be developed to expand consumption. Even though economical uses are known, they must be publicized. Likewise, discriminating and restrictive legislation and regulations must be eradicated. We are continuing to assist those industries which use soybeans to get this job done.

As well as doing market development in the United States, the American Soybean Association has continued and increased promotion of foreign markets. Last October a group of six men representing the soybean industry went to Japan to further develop the understanding and good relationships with the Japanese people already started by other members of our Association. The objective of the visit of this soybean trade development team was to improve trade relations through better understanding of our various problems and needs. This was sponsored as a project of the Japanese American Soybean Institute which was previously envisioned and developed by our Association and the U. S. Department of Agriculture.

The American Soybean Association along with representatives of the U. S. Department of Agriculture have made studies and trips to the Orient to investigate possibilities of even further market development. We had representatives at the Osaka Trade Fair this year and plans were developed for Japanese scientists to make studies in Peoria following recommendations of Dr. A. K. Smith who toured Japan, studying the soybean industry to help us find better ways of satisfying needs of the Japanese markets.

The American Soybean Association has continued its membership

in the Soybean Council of America along with the National Soybean Processors Association. Together acting as the Soybean Council of America, representatives have done much to develop domestic and foreign markets of soybeans and soybean products. A report of these activities are to be made separately so I won't expand on this other than to say that we have had a very good year with gratifying results.

In addition to the attempts to develop markets in both the United States and the world, we have made all possible efforts to prevent disorderly expansion of soybean production and situations which could lead to a surplus condition of our product.

NCCO Organized

This year the National Conference of Commodity Organizations was inaugurated and we were represented at various meetings. An attempt was made by N.C.C.O. to reach a solution, through cooperation, to the problems of overproduction of many agricultural commodities. Our Association took a relatively inactive position and requested only that any proposed legislation should not cause additional burdens on the soybean industry. Soybeans had already assumed many of the problems of other commodities and we were in no position at the moment to absorb further expansion. We repeated our position taken previously that an acreage reduction plan would be acceptable if it were not to the detriment of any one commodity.

Our Association has always believed in and practiced cooperation with the various branches of government. We have held meetings and visited with groups and individuals of the Department of Agriculture pertaining to innumerable things in which the government is involved. In addition to working with the other commodity groups, we have met with representatives of the Department of Agriculture and have visited with members of Congress in an attempt to uphold our Association's beliefs and feelings about agricultural legislation.

Before all these above endeavors can accomplish desired results, another very important job must be done. This is to disseminate the news pertinent to the industry and to handle the many odd jobs required to make all the above activities worthwhile and possible. We have a staff to do this job and, while not large in number, they are capable and devoted and we owe them all many thanks for the fine work they have done and are doing.

In summary, the American Soybean Association has attempted to face and prepare for the serious problem of further expansion. Unlike other commodities, we are not at a point where more production is necessarily a threat. On the contrary, we still can use and need more production. We do require, however, that it comes gradually and simultaneously with a balancing demand. It is with these thoughts in mind that we are working constantly. We must develop markets we know are available and which will benefit not only soybean growers but the many worldwide consumers of soybeans while limiting sensibly increased supplies to keep pace with this demand. On behalf of the Association I would like to thank all of the many generous contributions made by so many this past year and solicit help and continued assistance from everyone in our Association's efforts to maintain and protect our business and the future of American Agriculture. —*John Sawyer, president, American Soybean Association.*

Prater Rotary
AIRLOCK FEEDERS

Increase the efficiency of your dust control or pneumatic conveying system by sealing off the collector against air leakage; whether operating under suction or pressure.

Prater airlocks are available in 4 sizes—3 styles—and with a wide variety of rotor combinations to meet your most exacting needs.

You'll marvel at the simple straight-forward design and rugged, dependable construction embodied in every Prater machine.

WRITE TODAY FOR FULLY ILLUSTRATED CATALOG.

PRATER . . . *Foremost Builder of Rotary Airlocks*

PRATER PULVERIZER COMPANY 1527 S. 55th COURT • CHICAGO 50, ILL.

Geo. M. Strayer

Report of the Executive Vice President and Secretary-Treasurer . . . Geo. M. Strayer

Export Market Programs Begin to Show Results

AGAIN IT appears that in 1958 we are going to have the largest soybean crop in history. Acreage figures unmistakably are the highest ever recorded in the United States, and with anything like normal weather conditions it now appears we will go over the 500-million-bushel mark for the first time. It was 7 years ago at the Springfield, Ill., meetings that Clyde Hendrix of Pillsbury Mills, Inc., predicted some day we would produce and utilize 500-million-bushel soybean crops. As I recall, he predicted it would come within a decade. Apparently it has arrived in just 7 years.

ASA's 38th Meeting

And in spite of the largest soybean crop in history in 1957, the carryover of soybeans at the end of this crop year will be very small. CCC took possession of more beans than ever before, started selling them immediately, and has moved a large portion of them into export and processing channels already. It does not now appear that we will have many more bushels of soybeans on hand on Sept. 30 than we did a year ago—which is in itself quite a remarkable feat.

Consistently high monthly figures for the processing industry have whittled away at the stocks of soybeans. The largest exports in history have also helped. Exports would have been even greater on this date had it been possible to move the beans out of the Port of New Orleans as fast as buyers would have liked them. Japanese buyers planned on rather large quantities of Manchurian soybeans—in fact were being forced into buying the so-called Red Chinese soybeans by the Japanese governmental agencies, when one day the Red Chinese government decided it was going to cancel the contracts—and cancel it did! The move caught many Japanese buyers short, and they rushed into our market for unexpected purchases. The demand came at a time when corn and wheat were also moving, so there have been some very expensive and disconcerting delays in shipments. The situation is now being controlled, and the Port of New Orleans is taking steps to increase capacities to much greater levels of exports.

This year we will export approximately 1 out of every 5 bushels of soybeans produced in the United States, with something over 90 million bushels going into export channels. We have also exported the oil from approximately another 100 million bushels, if my calculations are correct. In other words, in terms of oil, we have exported two-fifths of our 1957 soybean crop. Can there be any question that export markets are important to us as soybean producers? And to the processor as well? Can there be any question about the need for doing some extensive work in this field?

Men from Abroad

Today we have with us here representatives from Japan, Italy and Spain, as well as from England. In the case of the first three countries we are operating, either through the American Soybean Association or the Soybean Council of America, market development programs in those countries. We can only begin to see results from those programs. We have a long way to go in developing those programs to their potential levels. But they do demonstrate some of the possibilities of well planned and executed programs designed to create greater markets for our products.

Many of the countries of the world are still plagued with a so-called dollar shortage. They buy more from us than we buy from them. Thus, they do not have dollars with which to buy our soybeans and soybean products. There is an undisputed need for oil and protein. But we insist on dollars when we sell soybeans. As you heard in Mr. Sugiyama's speech yesterday, Japan is going to be forced to buy more soybeans elsewhere unless we are willing here in the United States to buy more Japanese goods. The same situation exists in Spain, in Italy, and in most other countries.

We here in the United States, if we are going to sell more soybeans into world markets, are going to have to assume responsibility for stimulating purchase and usage of more goods from countries other than our own. Japanese porcelain and chinaware, Japanese soy sauce, German Volkswagons, English Fords, Italian cheeses, Italian women's clothes, Spanish leather goods, Spanish mercury, Dutch cheeses—all these items brought into the United States help those producing countries to earn dollars with which to buy soybeans. It is our job to see that the purchase of soybeans is more attractive than the purchase of Cadillacs! It is our job to get our share of the dollar earnings, as well as to stimulate them.

Two years ago, at our meetings at Urbana, it was our pleasure to have with us a group of men representing the various segments of the soybean industry in Japan. You will remember their remarks to the convention. During the past year a similar delegation went from our industry to Japan, to meet with the leadership of the Japanese industry on their own soil. Our president, John Sawyer, was the leader of that team. Dave Wing and John Evans of your board of directors were also members. In addition, Jim Martin of the New Orleans Port Commission, representing the port elevator operation there; Jack Haymaker of Cargill, representing the shippers of export soybeans; and Howard McWard of Illinois Grain Corp., representing the country handlers, made up the team. Since their return these men have given innumerable speeches, and have explained the problems involved in the shipment of U. S. soybeans to Japan to many groups and many people.

The Japanese American Soybean Institute is now over 2 years old. The second full year of operation has been completed. After our experience of the first year we doubled our budget, assumed new responsibilities for raising dollars for our

share of the costs, made new contracts for the educational work, based on our previous experience, and really launched an aggressive campaign. You heard about it yesterday from Mr. Hayashi. With the combination of Japanese yen made available to us by the U. S. Department of Agriculture, our dollar expenditures, and the funds contributed by the Japanese trade groups, we have spent in the past year in Japan about $200,000 preaching the doctrine of your products.

Osaka Trade Fair

I spent the month of March in Japan, and Albert Dimond and Cliff Gregory spent April there at the Osaka Trade Fair. I believe those men will agree with me that we are getting a job done. The combination of approaches is reaching millions of people with the story of the value of soy oil and soy protein products in the Japanese diet.

On May 1 of this year we instituted, together with the Oregon Wheat League, the first joint market development project ever written. The Oregon Wheat League has been conducting a promotional program on wheat products, utilizing the so-called kitchen cars. In reality they are small buses, especially built and equipped to conduct demonstrations in the villages all over Japan. They were doing an excellent job with them. Wheat products and soybean products, in the Japanese diet, are complimentary products—they do not compete with each other.

Why not combine our forces and operate a joint project to promote both wheat and soybean products? That has been done. Four new buses have been purchased to supplement the eight already in use. And those 12 buses, together with the crews, are today preaching the doctrine of miso, tofu, shoyu, natto and other soybean products throughout Japan.

They are at the same time preaching the doctrine of noodles, bread, rolls, and other wheat products as a source of starch to go along with the soy protein and oil. In my estimation this is a very wise step forward in our whole philosophy of market development work.

We have some problems in Japan. Convertibility of Japanese yen into dollars with which to buy international transportation prevents our having a Japanese delegation with us at this convention. In fact, it almost prevented the appearance of Mr. Hayashi. When I was in Japan in March I spent a large amount of time neutralizing the efforts being made by Japanese governmental agencies to channel soybean purchases away from the United States and toward Red China, because of the trade balance with that country. For the time being that problem has largely solved itself.

We still have not solved all our problems of quality on exports to Japan, but we have made much progress. We still need to produce varieties adapted to their types of usage and establish some basis of trading so the Japanese buyer can be sure he will get the type of bean desired for his processing.

We need to work on some basis of shipment and storage to solve some of the delays encountered. We need to consider possible storage supplies of U. S. soybeans in Japan, to be moved into consumption channels as needed. In some cases this would involve cleaning and bagging for distribution within the country. Certainly we have only begun to solve some of the problems of supplying U. S. soybeans in volume to Japan —and certainly we are much further along than though we had not taken advantage of the opportunity to conduct a market development program in that area of the world.

We still have with us one problem which, in my estimation, needs rather decisive and immediate action. We are still classifying broken particles of soybeans which pass through the 8/64-inch round hole screen as foreign material. These broken particles of soybeans make oil and they make meal. They are not foreign material, and so long as we classify them as such we are damaging our own cause. Again this past year there have been many occasions when on export shipments, where many handlings are involved, repeated cleanings have been necessary to make the grade purchased. There was not a buildup of actual foreign material. There was no new material added which had not previously been present. There was merely breakage of additional soybeans in the handling processes. Yet, according to our present federal grading standards there was an increase in the foreign material factor.

This classification of broken particles of soybeans is causing us much embarrassment on export transaction, it is causing the elevators, especially those at ports, much trouble in loss of time, slowdown of loadings and unloadings, it is causing some losses for producers, much greater losses for handlers and exporters, and it is achieving no useful purpose. The major problem involved in removing all or a portion of these broken particles from the foreign material classification is one of slightly more time involved in making the grade determination.

Are we going to continue to hold to something which does not do the job just because someone may have to spend a few more minutes in the grading procedure? When it may mean hundreds or thousands of dollars to the producer and the handler, and especially to the exporter?

We must either change the sieve size, as has been suggested by some persons, to something smaller than

MEMBERS: CHICAGO BOARD OF TRADE • NEW YORK PRODUCE EXCHANGE
CHICAGO BOARD OF TRADE CLEARING CORPORATION

W. M. SIMERAL & COMPANY

Cash and Futures Brokers

SPECIALIZING IN SOYBEAN OIL

BOARD OF TRADE BUILDING • 141 WEST JACKSON BOULEVARD • CHICAGO 4, ILLINOIS • HARRISON 7-3612

the 8/64-inch round hole screen, removing from the foreign material classification all those broken particles which stay on top of the sieve, or we should remove all broken particles from the foreign material classification, even though it may mean handpicking of samples. Certainly broken particles of soybeans are in the same category as split soybeans, should be classified as splits. The big problem, as I see it, is a determination of whether we want to go all the way in making the change, or whether we want to try a smaller screen and see if it will solve our problem.

I want to remind you again that buyers of soybeans in countries outside the United States feel we are our own worst enemies when we continue the present system. They will offer no objection to our making the change—so long as we lower the upper tolerances for foreign material accordingly. Your trade development committee has given consideration to this and another problem involved in export shipments—the sale of "Illinois Origin" soybeans. I believe their recommendations are included in the report of the resolutions committee.

I do urge that some type of action be taken on the reclassification of broken particles of soybeans. We must move—and now—on this matter.

In the exhibit hall here at the convention you will find a series of photographs taken at trade fair exhibits, conferences, meetings, demonstrations conducted in various parts of the world during the past year. Along with them you will find some posters and other illustrations of the methods used in Japan, Italy and Spain. You heard yesterday the discussions on those programs. I hope you will take time to look at the photos in the exhibit booth. The film shown yesterday afternoon, made in Japan, and being used there very extensively, is another demonstration of the techniques being used.

Support Price

Here at home we have had no major legislative problems in the current session of Congress. There has been a long delay in passage of the act to renew the appropriations for Public Law 480, which has reduced the potential sales under this program by several hundred million dollars. It does appear that Congress will act on this bill before adjournment.

The support price on 1958-crop soybeans has been held at the same levels as for the previous year, hence there has been little discussion or consideration of the support price program. The level is what we have asked in the past—high enough to give disaster protection, low enough to permit sales in large volumes. So far it has worked very well.

A year ago I reported to you on the formation of the Soybean Council of America. That organization has completed the first full year of work and Howard Roach reported to you on it yesterday. Certainly it has gone further than ever before toward adequately planning and executing a program of promotion of sales of soybean products. Additional grain handling groups have been brought into the program, and we hope that still more will cooperate. Since the formation of the Soybean Council that organization has assumed responsibility for some of the market promotional activities formerly conducted by ASA, hence the drain on our finances has been relieved somewhat. In addition, certain work has been done by ASA personnel for the Soybean Council, with reimbursement made to ASA. We have been operating for a portion of the year with reduced personnel, and because of that have actually taken in more funds than we have expended during the 11½ months covered in our certified public accountant's report, copies of which have been placed in the hands of your board of directors.

Income to the Soybean Digest has increased slightly during the past year, due to an increase in advertising rates, and to a pickup in the total amount of advertising carried. Prospects for the next year look fairly good. The Soybean Blue Book continues to show some profit to the Association, assisting in carrying the financial load. The newsletter, Late News, also is in that category, although we have assumed some additional load by sending all issues by mail, and also in the postage rate increases recently invoked.

Last December your board of directors voted to increase the membership rate in the American Soybean Association from the previous $3-per-year level to $5 per year. That rate increase has been gradually invoked as memberships have expired, but the full effect of the increase has not yet been felt because many memberships extend for 2 years ahead, and of course the rate increase does not apply until the renewal comes up. This increase should net more working funds for your Association.

We are faced with the necessity of adding more staff in the central office. Your board of directors, at the December meeting, authorized me to employ an assistant, but I have not yet done so. It must be done shortly. We also need a man to head up the membership subscription work, to replace Del Cobie who resigned to enter business for himself on Mar. 1. We should also give consideration to the employment of a man to handle research work, write some materials, conduct surveys, and do market analysis. The staff we have now is so loaded down with work that there is absolutely no time for planning and analyzation. If our Association is to continue to grow along with our industry we must provide the manpower and the means to do the intelligent planning which is so necessary.

Need More Members

We are still confronted with the same problem which has plagued us for years—we need a far greater number of the producers of soybeans involved in the affairs of the American Soybean Association. We need 70,000 members rather than 7,000. We need to tell the story of what this Association and the Soybean Council are doing to every grain handler organization in the nation, to every farm organization, to everyone who will listen, and we need to enlist their membership and their support. To do this we must have manpower—and money. But to effectively represent the soybean producers of the United States we must go far beyond today's membership level.

The 1957-58 fiscal year has, in many ways, been a rewarding year. We have seen our dream of the Soybean Council actually bloom into an operating organization. We have seen the largest crop in history produced—and have seen it disappear into the processing plants and export channels. We have seen a dramatic demonstration that livestock producers will utilize tremendous quantities of soybean protein when it is reasonably priced and when livestock prices are good. We have seen our Japanese project continue to grow in scope and importance, and we have seen, under Council auspices, the Spanish and Italian projects get underway and into actual operation. We have taken in more money than we spent, and we have laid the ground work for more sound financing for the Association. We have seen soybean acreage grow—and markets increase.

To the eight men, namely Howard Roach, John Sawyer, Dave Wing, Jake Hartz, John Evans, Chester Biddle, Carl Simcox, and Albert Di-

MAKE MORE
PROFIT
IN
'58

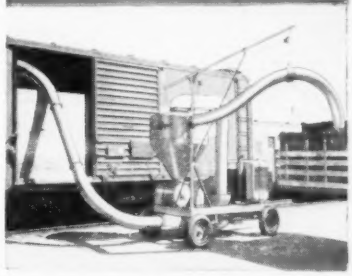
Pneumatic
GRAINVAYOR

Conveys, Cleans, and Conditions Grain in ONE, FAST, LOW-COST Operation

Yes . . . it's true! Here is the latest up-to-date method of conveying and cleaning grain at a big savings to you! With only one man operating the Grainvayor, you can load a car of corn in less than one half the time it would take a crew of men doing it the old fashioned way. PLUS . . . Grainvayor cleans the grain of rodent pellets, live insects, weevil-cut grain, and musty odors . . . all in the same, fast operation! It means loading and cleaning a bushel of corn for only a fraction of a cent. Think of the savings . . . in time and money!

Long Distance Conveying

100% Portable



MANY OTHER USES

Loading corn is only one of Grainvayor's dollar-saving operations! Regardless of your grain handling problem . . . Grainvayor is equipped to do the job—oats from trucks to round bins . . . wheat from grain cars to flat storage . . . soybeans from flat storage to box cars . . . plus many others. And . . . you can depend on Grainvayor's guaranteed pneumatic conveying system for dependable, long-lasting service.

Finance plan to meet your requirements—Trade in your old pneumatic equipment *today* for the latest, most efficient portable system available.

Specialized Grainvayor field engineers available.
Just write or call Streator 2-2176.

MS **MYERS-SHERMAN COMPANY**

1627 SO. ILLINOIS ST., STREATOR, ILLINOIS

mond, together with your secretary, the soybean industry and this Association owe a debt of gratitude.

Those men have attended a series of meetings of the board of directors and of committees, and have had absolutely no pay for the time which they took from their own business operations to devote to the interests of the soybean producer in the operation of that organization. Other men who have served on Council committees representing producer interests should also be given a vote of gratitude.

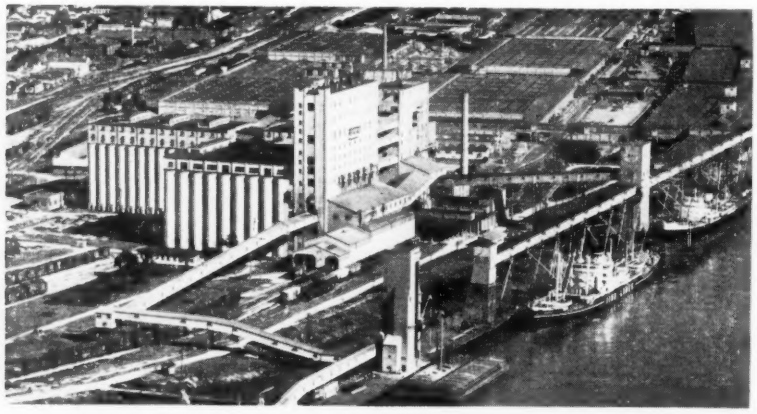
To all the 15 men who have served on your board of directors the Association membership also should be eternally grateful. There have been board meetings, committee meetings, trips to Washington and other events which have taken time and effort—with no reimbursement. Until you have served on the board of directors of the American Soybean Association you can have no concept of the time and the effort which is involved. These men serve you well, and they should have your thanks for their services.

To John Sawyer, Dave Wing and John Evans should go a special vote of appreciation, for they each took about a month of their own time to serve on the team which went to Japan. While their travel expenses were paid, they certainly did not get reimbursement for the month taken away from their own earnings. And to the other three men who served as team members—Jim Martin, Jack Haymaker and Howard McWard — we also should express our appreciation for a job well done.

To Kent Pellett for his faithful allegiance to the editorial job on the Soybean Digest and the Soybean Blue Book, to George McCulley for his adherence to business principles and proper record keeping and to the other members of the staff I want to express my personal gratitude for their interest and their willingness to apply themselves to the job at hand.

I am recommending to your board of directors a program of insurance coverage which I feel your Association should carry on its employees, and I hope that favorable action will be taken. During the past year, after long negotiations, your Association was relieved of all responsibility for unemployment compensation insurance payments. It is my feeling we should immediately institute a program of coverage, partially financed by the Association and partially by employees, which will cover health and accident payments.

As you progress through a year as busy as had been this past one there are many people who contribute to the success or failure of the jobs at hand. I cannot begin to name them all here, but to all concerned I want to say it has been a pleasure to serve you, I have enjoyed it, I have profited by it, and I can see great things for this industry and this Association in coming years. We now have the organizational structure built which should enable us to finance and carry out the jobs we have talked about for years. I hope we have the capabilities of capitalizing on the opportunities which face us. Even today there are two great needs in the world food economy — protein and oil. We have them both of high quality and relatively low cost in soybeans. We need but see our opportunities and build on them—we have only scratched the surface. We can go as far as the men involved will permit. The decision is for us to make.—*Geo. M. Strayer, executive vice president and secretary-treasurer, American Soybean Association.*



Truck Dumper

Rail-car Dumper

Marine Leg and Pneumatic Barge Unloader

New Orleans Elevator handled 47,404,248 bushels of soybeans in year ending June 30, 1958

—modern equipment, huge capacity expedite Mid-Continent cargoes

The Public Grain Elevator at the Port of New Orleans moved a record volume of soybeans during the fiscal year ending June 30, 1958. Here is an unsurpassed facility for rapid, efficient handling of soybean shipments. It renders to the grain trade one of the most valuable services offered by any port. Modern installations include two large marine legs for unloading barges, supplemented by a pneumatic unloader, two rail-car dumpers and a truck dumper—all designed for more rapid grain unloadings and with consequent savings in time and money.

For full facts write:
Robert H. Jordan, Manager, Public Grain Elevator, Board of Commissioners of the Port of New Orleans, Post Office Station B, New Orleans, U.S.A.
or Telephone: TWinbrook 7-2321 or JAckson 2-2551

Ship via

PORT OF NEW ORLEANS U.S.A.

RESOLUTIONS

Reported and Adopted by the Convention

WE WISH to express our sincere appreciation to all parties who have had a part in making our 38th annual convention a success. We especially appreciate the people who have appeared on our program. Our sincere thanks to all committees who have cooperated in planning the program and making arrangements for the convention.

Trade Relations

Indecision and delay on the part of our U. S. Congress in providing funds for the continuance of Public Law 480 has handicapped carrying out several soybean projects that could have reduced the probable carryover from the 1957 crop. We urge immediate action by Congress so that the far-reaching benefits of P. L. 480 in connection with the increased 1958 crop may be realized.

ASA's 38th Meeting

We greet with pleasure our newly appointed administrator of FAS, Dr. Max Myers, who has attended our convention. We thank him for his contribution to our program. The ASA appreciates the leadership of FAS in securing outlets for American farm products abroad and we commend Dr. Myers, his deputy, Raymond Ioanes, and others in the Division who have been particularly active and have given competent aid in our soybean programs. The ASA looks forward with confidence to the continued successful administration of FAS as funds are provided.

Research

We urge continued research in connection with the soybean cyst nematode.

We ask that our federal government continue research in the broad aspects of utilization of soybean products and byproducts.

As the acreage of soybeans continues to increase it becomes more and more evident that we need expanded research into the problems relating to soybean diseases. We ask that this be given consideration by our federal government.

General

We urge continuation of the Japanese American Soybean Institute in Japan. We commend S. Hayashi for his aggressive administration of the program being carried on there.

We likewise urge the continuation of the program of the Soybean Council of America. We thank the many individuals who are giving and have given their time and energy to serve on the various trade development teams, trade fair representation and in Soybean Council activities which have helped in carrying out these various programs.

We further urge the board of directors of the ASA to authorize and prepare a guide for handlers of U. S. soybeans to be placed in the hands of domestic and foreign buyers to better enable them to buy the type and quality of U. S. soybeans desired for their particular markets and to acquaint them with the characteristics, soybean types and various grades in order to provide a more realistic measure of the true value of the soybeans contained in any specific lot.

We find under present grading standards the weight of broken particles of soybeans is lost to the producer. In view of this fact we feel that we are buying and selling U. S. soybeans on foreign and domestic markets on the basis of standards which we think are obsolete. For this reason we urge an extensive study of our present federal soybean grading standards.

We appreciate the many visitors from foreign countries who are with us at Des Moines.

Those who aided in the preparation of these resolutions are Chester B. Biddle, chairman, O. H. Acom, Walter M. Scott, Jr., John W. Evans, John H. Butterfield and Charles V. Simpson.

NOW RUN YOUR GRAIN MOISTURES the IMPROVED more ACCURATE way!

with the NEW SEEDBURO Steinlite model 500 RC MOISTURE TESTER

25 YEARS OF RESEARCH HAVE MADE THESE FEATURES POSSIBLE

1. NEW ROUND FUNNEL — handles larger (250 gram) sample — especially designed for whole grains—automatic funnel reset
2. EASY-TO-READ, built-in, eye-level thermometer
3. LARGE 9 INCH METER gives automatic reading . . . no button to push, or dials to adjust. One scale for all moisture ranges
4. NEW EASE OF OPERATION AND SPEED—balance tester and thereafter all that is necessary is to drop sample into test cell and obtain automatic meter reading at that time

Tests are equivalent to the basic standards of the U.S.D.A.

You'll have to put New Seedburo Steinlite 500 RC through its paces to find how easy and conveniently this improved model makes moisture tests on corn, wheat, oats, rice, soybeans, flax, rye and sorghums. You simply drop the larger more practical 250 gram sample into the test cell and read the meter. Full information and the famous Seedburo service is as near to you as your phone . . . Call ANdover 3-2128 Collect, or—

"See your Seedburo Representative"

SEEDBURO

(SEED TRADE REPORTING BUREAU)

EQUIPMENT COMPANY

Dept. SD9, 618 W. Jackson Blvd., Chicago 6, Ill.

How Big Can the Soybean Industry Get?

Sees a market for 16 million tons of soybean meal and 870 million bushels of soybeans by 1975.

By RAYMOND E. ROWLAND
President, Ralston Purina Company

I AM IN BOTH the feed manufacturing business and the soybean business and, therefore, in a good position to observe how each industry supplements the other, and to give the viewpoint of both industries.

The soybean industry is a big business. The sale of soybeans last year brought nearly $1 billion to the growers, but the industry is even bigger than that figure shows. It includes not just the grower of soybeans and the processor as we often think of it, but it includes a multitude of elevators, brokers, exporters, feed manufacturers and even the producers of milk, meat and eggs and, yes, even the consumer.

ASA's 38th Meeting

One segment of this vast industry cannot profit without the other. Neither can one segment profit at the expense of the other. All must cooperate and work together for a common good. I am glad to see the Soybean Council of America become a reality. It is a good example of industry cooperation and much has been accomplished and much more will be accomplished.

The soybean and manufactured feed business are natural partners. Each must depend on the other. Over 80% of all soybean meal is used by the feed industry. The two industries are so closely tied together that each is a good indicator of the volume of business of the other. For example, I watch the soybean market very closely, not solely from my interest in day-to-day prices, but I know that when there is a flurry in the soybean market, the feed business is either good or is going to get good. Likewise, if the meal market gets sluggish, I expect the feed business to slow down. I hear any number of reasons why the meal market advanced so rapidly and to such a high level recently, but in my book there is one basic reason—the demand for mixed feed.

How big do you think our business, and I mean the soybean business, will be in 1965 or in 1975? This is a stimulating question for every one of us, gentlemen. In fact, these are stimulating days. These are challenging days. Our industry today faces many challenges as we move on to higher and higher levels. I would like to discuss some of these challenges with you because while every worthwhile challenge poses problems of varying degrees, it also presents terrific opportunities.

Do you realize that in every year in this country, there are 3 million more hungry Americans than there were the year before? Do you realize that each one of them now eats the equivalent of about 1,530 pounds of feed in terms of what it takes to produce the meat, milk and eggs they consume? That's a total increase in potential of 2,295,000 tons of feed every year over the previous year. This year feed consumption will amount to 135 million tons total. In 1975 the potential will be 39 million tons more than this year, or 174 million tons.

Big Opportunity

This provides a big opportunity for growth. First, there is the opportunity for us to increase the percentage of mixed feed to total feedstuffs fed. Ten years ago only 21% of the total feed fed was manufactured or mixed feeds. In 1957 that percentage had jumped to 28%. With the trend to more efficient feeding and management every year, especially as the livestock and poultry industry gets into bigger and more efficient ownership, manufactured feeds will represent a larger percentage of total feedstuffs consumed. Feeders will be required to feed more balanced and efficient rations in order to maintain a competitive position. I believe we can reasonably expect the proportion of manufactured feed to climb to a minimum of 40% of all feed fed by 1975, or to about 70 million tons.

The second opportunity for growth is to increase the share of the protein meal fed.

Lamar Kishlar of our firm, whom many of you know, is one of the pioneers of the soybean oil industry. He gave a speech way back in 1942 predicting that our country would use 500 million bushels of beans and showed how the meal would be needed to supply the feed industry. Well, this prediction has come true.

Most recent estimates are that soybean meal currently makes up 17% to 18% of the average manufactured feed ration. With limitations on other sources of protein, it is going to require at least 14 million tons of soybean meal just to supply the feed manufacturer. Add to this another 2 million tons for other feed uses and we come up with 16 million tons. This would require about 680 million bushels of beans. When we include the seed and export requirements, we can see around 870 million bushels of soybeans needed by 1975.

To supply this much meal brings up an additional problem. This is the disposal of the byproduct. This byproduct is soybean oil. I like to think of soybean meal as the primary product of the industry and oil as the byproduct. Some people might not agree with this but right now I'm sure you will all realize that such is the fact. This byproduct—oil—is a world commodity of which the United States produces a surplus over domestic needs. This must be disposed of through international trade. The need and desire are present in many countries for additional oil supplies, but they don't have the dollars to buy it, nor do they know how to use it if they receive it.

There is an overall job to be done of market development coupled with the dollars to buy our oil. Public

law 480 has been of great help in disposing of surplus oil and in turn has helped support the price of soybeans, hogs, cottonseed, lard, butter, and other domestic fats and oils, while at the same time making reasonably priced soybean meal for the producer of meat, milk and eggs.

In other words, gentlemen, we have no surplus of soybeans or soybean meal for they are needed. Our only surplus is soybean oil.

The Soybean Council, in cooperation with FAS under P. L. 480, has done a fine job, especially in Spain and Italy, on market development for soybean oil. Once the standard of living of a nation is upgraded, it never seems to go backward. Spain and Italy are becoming better customers of ours and will continue to be customers. A demand is being created. But to take care of an ever-growing soybean crop, we must continue to promote and create a demand in other countries for our soybean oil. This is a challenge, but it can be done.

The average consumption of fats and oils in the 16 European countries in 1957 was 56.6 pounds per capita. That was 7.2 pounds lower than the average American consumed. There are slightly over 300 million people (300,960,000) in these 16 countries. By increasing the consumption of these 16 countries to the U. S. level would mean an additional requirement of more than 36,000 tanks (36,115) per year. This does not allow for any increased population.

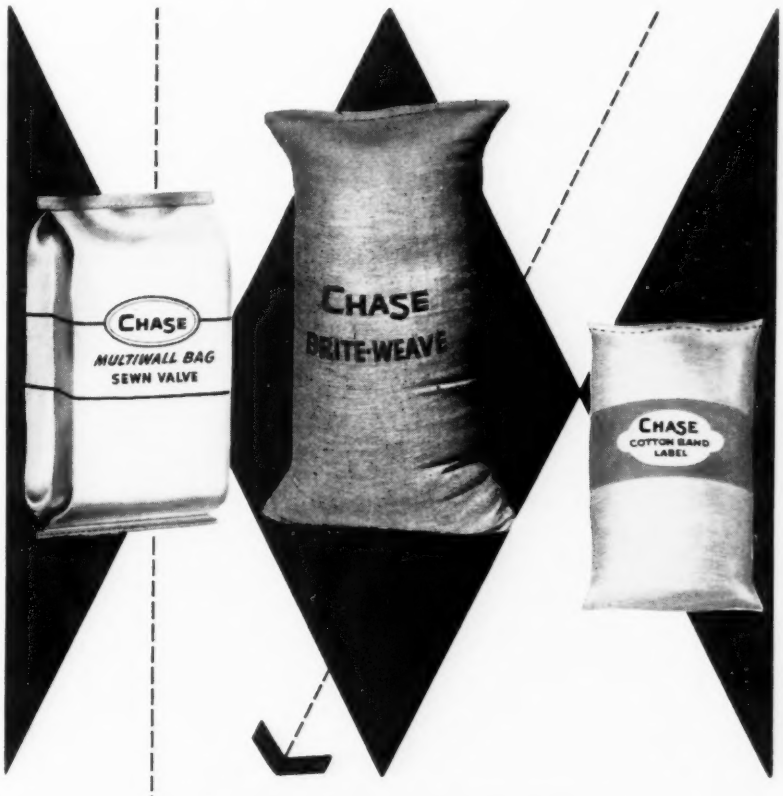
Per capita consumption in India and Pakistan is probably less than 15 pounds. If this could be raised by only 5 pounds per person, which would still be only about a third of the per capita consumption in the United States, it would mean an increase of slightly over 40,000 tanks per year.

Middle Class Growing

Not only will the demand for soybean meal expand in this country but it will be increased in other parts of the world. The middle class has been the backbone of the American economy. They are the people who have provided the purchasing power and have been the big consumers. In many of the European countries and countries to the south of us, this has not been true in the past. There has been no middle class in some of these countries until recently. The population was composed of a few wealthy people and a mass of the people lived from hand to mouth. Their living standards were low, their purchasing power was low, and they contributed little to the support of the economy. But such a society is rapidly passing out of existence, even in these other countries. The bigger middle class in other parts of the world means better living standards and more purchasing power. The feed business will develop in Europe and it will develop rapidly. This will require more meal exports from this country.

There are other parts of the world capable of producing big crops of oilseeds, but they lack the processing and transportation facilities to compete seriously on the international markets with our soybean industry.

Progress in our industry must never stop. We must continue to find new and more efficient methods in production and processing. We owe it to our Big Boss, the feeder, to produce a nutritional product at a price which will permit *him* to make a profit. If we ever lose sight of that, we are sunk. What is good for the feeder is good for all. The feeder is the key to the whole situation. He is the man who is going to determine how big we, the entire soybean industry, can get.



DEPENDABILITY

IN BAGS FOR YOUR SOYBEAN MEAL

For safe shipment—low cost—in bags easy to fill, close, stack and store... always insist on *Chase* dependability. Make a single call, order any or all—any type, any size, any quantity.

CHASE MULTIWALL PAPER CHASE COTTON
CHASE BURLAP

CHASE BAG COMPANY

General Sales Offices
155 East 44th Street, New York 17, N. Y.

32 Bag Plants and Sales Offices coast to coast—a Nationwide Staff of Bag Specialists.

Our 111th Year of Bag-Making Progress.

G. L. Jordan

What Will We Get for 1958-Crop Soybeans?

Soybean prices are expected to hover near the loan level. Avoid sales below $1.90 and sell at loan level or above.

By G. L. JORDAN
Professor, Department of Agricultural Economics, College of Agriculture, University of Illinois, Urbana, Ill.

I EXPECT THE following: (1) a soybean crop in 1958 of not more than 510 million bushels, (2) an excellent demand for meal based on increasing hog numbers and a continued appreciation of the value of soybean meal as a feed, (3) pressure on the prices of fats and oils as the result of large supplies, steady per capita consumption in the United States and no significant increase in the export demand, (4) an annual crush that will leave only a modest carryover Oct. 1, 1959, and (5) much less seasonal variation in prices of both oil and meal than occurred in 1957-58.

I also expect soybean prices to hover near the loan value. If the price declines much below the loan value as the result of heavy marketings at harvest I should expect it to recover in a few weeks after harvest is completed to near the loan value.

In the absence of any wide seasonal swings it would seem wise to avoid sales at any price below $1.90 at the farm and to sell on any bulges that equal or exceed the loan price. Because of the disturbed world political situation war scares are probable.

ASA's 38th Meeting

The total farm value of soybeans produced in the United States as percentage of total value of farm output has increased steadily since 1948. The only exception was 1953. The value of the soybean crop was relatively high in 1950, presumably as the result of the Korean episode. The supplies of soybeans (production plus carryover) have increased from less than 200 million bushels in 1947 to 490 million bushels in 1957 but the price held well compared to prices of all farm products. The increase in relative value has been about 10% a year. The same general relationship is evident when the value of the soybean crop is compared with cash income from farm marketings but the gain percentagewise has not been so uniform nor so great. Using the 1947-49 relationship as 100 the percentage gain in the soybean crop value by 1958-59 is estimated to be 186% as much as the percentage gain in the value of total farm output. The estimated value of the 1958 U. S. soybean crop, using this method of forecasting, would be $1,107 million. Dividing this value by estimated production the following yearly average U. S. farm prices of soybeans result:

1958 production	Estimated price
536 million bushels	$2.06
525 million bushels	2.11
500 million bushels	2.21

These estimated values are based on fairly optimistic anticipated values of total farm output and in my opinion serve as a maximum, barring more war scares.

Estimating the value of soybeans from estimated values of the meal and oil give approximately the same results.

Soybean Meal and Oil

As there are several ways to forecast soybean prices so there are several ways to forecast meal and oil prices. One of these is to estimate the value of the meal and oil as fractions of the estimated value of a bushel of beans. Because of the more favorable outlook for meal in the coming year than for oil I am estimating that the meal fraction of the combined meal and oil value will be 52.5% and the oil value 47.5%. Using 11 pounds of oil and 48 pounds of meal per bushel the following values are thereby estimated:

1958 soybean production (million bu.)	Soybean value at the farm		Estimated marketing and processing margins (value of products—U. S. farm price)		Value of products	Estimated value Meal, per ton, bulk, Decatur	Crude oil, tank cars, per lb., midwestern mills
536	$2.06	+	$ .35	=	$2.41	$52.70	10.4c
525	2.11	+	.35	=	2.46	53.80	10.6c
500	2.21	+	.35	=	2.56	56.00	11.0c

Estimating soybean meal prices from past relationships between meal prices and the December Illinois farm price of hogs and U. S. soybean production plus carry-in as percent of the 1947 to 1957 trend gave me about $54.50 for a 525-million-bushel bean crop and $58.50 for a 500-million-bushel crop. The 1957-58 price of meal was about $2.50 to $3.00 lower than this average relationship would suggest. If that carried through next year it would bring meal price estimates down to the estimates arrived at by the first method.

Prof. T. A. Hieronymus of the University of Illinois staff estimates a price of $55 a ton based on a crush of 355 million bushels and using the factors: (1) the production of soybean meal, (2) sales of commercial mixed feeds, weighted by the kinds of feed, and (3) the index of livestock and livestock product prices. He got a fairly high correlation of past behavior of these factors and soybean meal prices.

If average post-War II relationships between soybean oil prices and U. S. production of edible fats and oils and personal consumption expenditures for goods and services in the United States should hold for 1958-59 an estimated price of 11.3¢ a pound is obtained for oil. However, the 1957-58 oil price was below the indicated price based on this formula by 1.5¢. If this deviation should carry through the 1958-59 crop it would reduce the estimate to 9.8¢ a pound for a 525-million-bushel crop. This estimate assumes an increase in output of lard and cottonseed oil.

Exports

We rely heavily on the export market as an outlet for fats and oils and oil-bearing matrials. During the past year the oil price was depressed by a weak export market. Dr. Eric Berg of the University of Illinois staff explains this as resulting from exceptionally large western Europe imports in both 1956 and 1957, leaving large supplies to be used in 1958 and to heavy production in western Europe in 1957 and again in 1958. He anticipates only a modest increase in western European requirements. Increased animal fat production is expected to partly offset a reduction in European olive oil output.

The forecasted prices are based on the assumption that as much fats and oils will be exported for dollars and under P. L. 480 as was exported in the current crop year. Any failure to provide a good export outlet would result in a substantial lowering of the price of soybean oil and force a large quantity of beans into the CCC stocks. Assuming a good export outlet I believe that we can use a 500-520-million-bushel crop without building up burdensome stockpiles in the hands of the CCC.

EXPORT SHIPPERS

The St. Lawrence Seaway The East Coast The Gulf

No matter which port you choose to ship via, Inland Forwarding has an office and personnel to perform services of foreign freight forwarder. Chicago is our home and we have three other midwestern offices, at Cincinnati, Cleveland and Toledo.

For current shipping costs, FOB, CIF, ETC, call Inland. We'll be glad to provide the information.

Inland Forwarding

INC.

"The Key To Success Is Service"

FOREIGN FREIGHT FORWARDERS

900 S. Wells St., Chicago 7, Ill. Telephone WEbster 9-3460. Teletype TWX 1777.

OFFICES AT:

829 Canal Road
Cleveland 13, Ohio
SUperior 1-1737

208 Donnelly Bldg.
Baltimore 2, Maryland
PLaza 2-0583

2d and Smith Streets
Cincinnati 2, Ohio
MAin 1-3347

25 Beaver Street
New York 4, New York
BOwling Green 9-6592

Ottawa & Washington Sts.
Toledo 4, Ohio
CHerry 4-0311

308 Board of Trade Bldg. Annex
New Orleans 12, Louisiana
MAgnolia 0571

WRITE – BOX 109 PHONE – WA-21673

CABLE – HARTZSEED

For "HARTZ QUALITY"

SOYBEAN SEED
FOOD SOYBEANS

DOMESTIC and EXPORT

JACOB HARTZ SEED CO., INC.
STUTTGART, ARKANSAS

Howard L. Roach

Program of the Soybean Council of America

Export market development activities of the Council now include European and Asiatic continents, Central and South America.

By HOWARD L. ROACH
President, Soybean Council of America, Inc., Plainfield, Iowa

DURING the early growing years of the soybean industry soybean farmers and the livestock industry realized the part being played by the processing industry and there was maintained between all groups, farmers, handlers, processors, and feeders, good relations, for each realized their dependence on each other. It was only natural that the Soybean Council of America should be conceived, and it was born in 1956. Its purpose, as set forth in its Articles of Incorporation, is educational and it is nonprofit.

It is financed by voluntary contributions of 1/10¢ per bushel on soybeans grown in the United States; one-half of this amount or 1/20¢ per bushel to be contributed by the processing industry, and the growers share, 1/20¢ per bushel, to be collected by the handlers from the growers. It was realized from the beginning, that costs of collection from each individual grower would take all of his contribution so appeals were made to the handlers to collect from the growers, either by solicitation or by an increased margin of 1/20¢ per bushel.

ASA's 38th Meeting

It was also appreciated that some processors and some handlers would not realize their responsibility until it was demonstrated that the activities of the Council were worthwhile to the industry. Some, with more faith than others, agreed that market promotion of soybeans and soybean products was worthwhile and helped organize and finance the Council from the beginning.

Over 80% of the processing industry is now voluntarily contributing 1/20¢ per bushel to finance the Council and a number of grain handling firms and organizations are contributing 1/20¢ per bushel for the growers.

The activities of the Council are controlled by a board composed of growers, processors, and handlers, this board carefully allocating a budget of $130,000 during the current year.

Since its organization, the Council has started service and promotion on the following domestic projects:

1—Technical service to users of soybean oil in the fish packing, margarine, and food fields.

2—Assumed responsibility for research direction with government and private agencies.

3—Established contact with other commodity groups, such as the American Meat Institute and the National Cottonseed Crushers organization on fats and oils; and the Wheat Grower Associations on the inclusion of soy flour in bread. These activities have led the Council into cooperation with flour millers, bakers, macaroni manufacturers and many others.

Pioneers in the soybean industry have the simple concept that soybeans are raised to be consumed and not stored. Instead of dividing up an existing market, the concept of the Council is to create new markets. Your president recently stated to Lord Geoffrey Heyworth, chairman of the board of Unilever, that the broad purpose of the Soybean Council of America was to "promote the continued and expanding use of soybeans and soybean products around the world, regardless of where produced and processed." This concept, truthfully followed, unlocks the door to many areas that would remain closed if we adopted a more restricted policy.

The United States must look to other nations not as well fed as we are to consume our excess productions. While we can still use all our soybean meal in the United States, we must be willing to share this commodity with others. Some nations would rather do their own processing and to those nations we must furnish soybeans or they will obtain them from other areas of the world.

Some members of the Italian team touring this country in late August, l. to r.: Mario Palleschi, Federconsorzii, Rome; Giuseppe Varazi, Arsol, Florence; Ubaldi Migliorini, Ministry of Agriculture, Rome; Dominic J. Marcello, Soybean Council of America, Rome; Francesco Borello, Borello & F.lli., Milan; Giuseppe Lina, Zoolina, Parma; and Luigi Farrari, Ditta Farrari, Luigi, Milan.

Rome Office

The Council has established an overseas office in Rome, Italy, for the direction of our European activities. Under the supervision of the European office is an office for Italy

and an office for Spain. These offices are possible through cooperation with Foreign Agricultural Service of the U. S. Department of Agriculture and part of their costs are paid for through the use of counterpart funds generated through the sale of commodities under Public Law 480. We work closely with both the U. S. Department of Agriculture and with the State Department through the U. S. embassies.

Projects completed and under way are:

1—Cooperation with U. S. fairs in Italy, Spain, Germany, and Greece.

2—Surveys and help to the oil refiners and trade in Spain, Italy and Turkey.

3—Cooperation with the poultry and livestock industry including the mixed feed industry, both independent and co-ops, at fairs, conventions and seminars, to create markets for soybean oil meal.

4—Sending of U. S. technical personnel to engage in these activities.

5—Bringing to the United States selected persons from the vegetable oil trade and mixed feed industry to acquaint them with the advantages of cooperation with U. S. industry.

At the present time the Council has a technical representative, accompanied by a representative from the Foreign Agricultural Service, U. S. Department of Agriculture, making a survey of market possibilities in the Caribbean area, starting at Bermuda, and going through the Bahamas, Greater Antilles, Lesser Antilles, Leeward Islands and Windward Islands.

In September another technical representative will visit Chili, Peru, Equador, and Colombia to survey the possibility of increased markets in that area for soybeans and soybean products.

In November a survey team will be in the Far East, beginning in the Philippines, and surveying the area as far west as Pakistan, investigating the possibility of markets in that area of the world.

Far East Survey

In September the Council will show soybeans and soybean products at the Fine Foods Fair in Munich, Germany. In 1957 we showed in Cologne and just recently Dr. Fred R. Marti, general manager of the Soybean Council of America for Europe, signed a cooperative agreement for market development in that country. Negotiations are now in progress for a similar project in Austria.

In December the Council, in cooperation with the Department of Commerce and the U. S. Department of Agriculture will show soybeans and soybean products at the fair to be held in New Delhi, India.

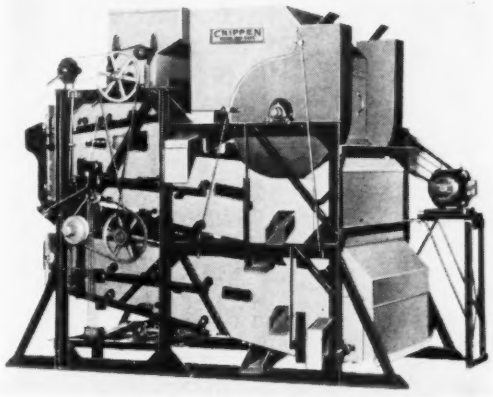
You can see that fields for pioneering are wide open. The Soybean Council of America needs your moral and financial support. We will pledge to do our best to satisfy you that every penny you invest with us in market development work, domestic and overseas, will earn you good interest and give you the satisfaction that you, too, are pioneering.

Midsouth Soybean Shippers Elect

MIDSOUTH Soybean and Grain Shippers Association named the following officers at its annual meeting at Hotel Peabody in Memphis Aug. 6:

Albert R. Cravens, Missouri Soybean Co., Caruthersville, Mo., president; John Terral, Terral-Norris Seed Co., Lake Providence, La., vice president; and Paul C. Hughes, Farmers Soybean Corp., Blytheville, Ark., secretary.

CRIPPEN CLEANERS



Crippen Model MM-5472
All metal construction

IDEAL FOR SOYBEANS

AND GRAIN FOR COMMERCIAL or SEED QUALITY

Crippin equipment is engineered for efficient cleaning and increased output with fewer runs, cutting cleaning costs.

Compact in design they provide the biggest capacity for the smallest floor space. Crippen manufactures a full line of cleaners, scalpers, scarifiers, separators, polishers.

Write today for free literature and prices.

CRIPPEN MANUFACTURING COMPANY

750 VIRGINIA STREET **ALMA, MICHIGAN, U. S. A.**

Activities of the Japanese American Soybean Institute

Soybeans are becoming very popular in Japan and consumption of soy products is increasing as the result of the activities of the Institute.

By SHIZUKA HAYASHI
Managing Director, Japanese American Soybean Institute, Tokyo, Japan

Shizuka Hayashi

IN MY REPORT which I made at the convention last year I reported on the work the Japanese American Soybean Institute had carried out from its beginning through June 1957. This report is to cover what the Institute has done since then.

The program under contract with the Japan Nutrition Association, which is part of the Welfare Ministry, as I reported last year, has been in full swing since its start in April. We started by educating nutritionists belonging to the Ministry of Welfare and attached to over 800 health centers. The importance of soybeans as the ideal source of supply for fat and protein for the Japanese people was emphasized to these nutritionists.

Through the nutritionists, extensive educational and promotional work is carried on in the health centers all over Japan. Housewives have been assembled at the respective health centers and other places like schools or public halls. Lectures on the nutritional value of soybeans and cooking ing demonstrations with various soybean dishes were given at each class. As of June 30 this year a little over 2,000 classes had been held with 207,000 housewives attending.

ASA's 38th Meeting

The program under contract with the National Food Life Improvement Association of the Ministry of Agriculture covers meetings to conduct public relations activities on soybean oil and other products. Supported by the prefectural governments, eight meetings were held in large department stores in different areas. There were lectures by university professors and also other attractions including movies and the display of various soybean materials. Pamphlets and literature were distributed. Before each meeting, to announce the event, demonstration by cars and distribution of posters was carried out continuously for a week.

I will enumerate the other activities carried out under our project month by month.

October, November 1957

1—A 2-day meeting was held in Kyoto and Nagano where we assembled dealers of various soybean products including miso, shoyu, tofu, natto and oil. The purpose was to impress on them the nutritional value of soybeans and soybean products. Mr. Termohlen, Agricultural Attache in Tokyo, attended this meeting. He made a speech and participated in the general discussion. Mr. Termohlen is a very good demonstrator. His presence alone is good PR (public relations).

2—Dr. Allan K. Smith, a foremost food technician of the Northern Regional Utilization Research and Development Division at Peoria, Ill., under contract between FAS and the American Soybean Association, came to Japan and stayed for about 2 months visiting various soybean food manufacturers and others. Dr. Smith's visit was to appraise the use of U. S. soybeans in making Japanese food products. He made a survey of the handling and processing of American soybeans into food products in Japan to provide basic data and technical guidance for a long-term research program on the production of Japanese food from U. S. soybeans. Although I have not yet seen his final report, I believe it is being presented to Washington. It is on his advice that we are planning to invite two Japanese scientists to carry out research work at the Laboratory at Peoria under Dr. Smith's supervision.

3—A U. S. soybean team called the "Soybean Market Development Team" was invited to Japan to investigate Japanese soybean business and industry and confer with various soybean groups. They stayed in Japan for about 17 days.

With John Sawyer, president of the American Soybean Association, heading the team, the members were: John Evans; David G. Wing; John N. Haymaker, Cargill, Inc.; James W. Martin, Port of New Orleans; and Howard McWard, Illinois Grain Corp. You no doubt have seen the good report the team made on its return to the United States.

December

1—We held a PR meeting in one of the miso manufacturers' plants in Tochigi prefecture with makers of miso and shoyu. We had the privilege of having Dr. Smith's participation. There were lectures and discussions on the various aspects of soybeans, including technical points. Our "Green Bud," the soybean film, was shown following the meeting.

January

1—We had three PR meetings, in Nagoya, Yokkaichi City, and Suwa City. These meetings were well supported by local newspaper people.

February

1—A week of extension work with displays to promote more consumption of soybean oil was carried out in one of the largest department stores in Tokyo. The leading oil processors participated in this exhibit.

March

1—Under the auspices of the prefectural food agency, sponsored by the City of Imabari, the Womens Federation and various soybean products manufacturers, a meeting was held in Shikoku Island. Although it was held on a week-day the school auditorium was crowded to its maximum capacity. More than 1,000 people applied for admittance but due to the size of the room only about 400 could be admitted.

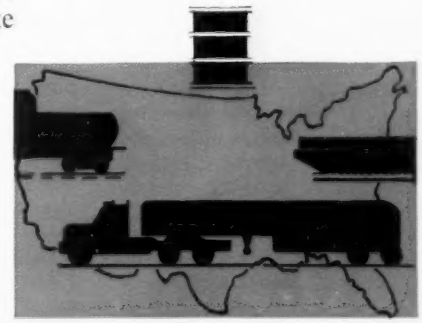
2—Geo. M. Strayer, executive vice president of the American Soybean Association, visited Japan in March and stayed about 3 weeks. It happened that the time was perhaps the most serious moment for U. S. soy-

Greater Oil and Solvent Recovery... Higher Quality Extracted Oils... MORE PROFITS... with Espesol Normal Hexane & Heptane

Espesol Normal Hexane and Heptane are produced by methods that are *unique* in the field. Through a controlled hydrocarbon breakdown, extractors receive fine quality Espesol solvents containing a high percentage of paraffins and with an extremely low aromatic and naphthene content. Low vapor pressure and a very narrow boiling range (Typicals: Hexane, 152°-156°F; Heptane, 201°-207°F) afford greater economy and profits because of increased solvent recovery and maximum oil yield. Low sulphur content results in extracted oils with reduced odor and color.

Write for additional information on Espesol Normal Hexane and Heptane. For immediate service, call the office nearest you today!

Complete stocks are available for super-fast delivery from Eastern States' strategically located terminals—by truck, tank car, barge and drum.



ESPECO

EASTERN STATES PETROLEUM & CHEMICAL *Corporation*

(Formerly Eastern States Chemical Corporation)

Post Office Box 5008—Houston 12, Texas—Phone WAlnut 3-1651
Chicago Office: 1011 Lake St., Oak Park, Illinois, Phone Village 8-5410
New York Office: 10 Rockefeller Plaza, New York, Phone Circle 7-2520
Cleveland Office: 20800 Center Ridge Rd., Cleveland, Ohio, Phone EDison 3-0188
Louisville Office: 4th and Broadway St., Louisville, Ky., Phone JUniper 3-7634
Atlanta Office: 3121 Maple Drive, N.E., Phone CEdar 3-3227

U. S. TERMINALS:
Houston, Texas
Chicago, Illinois
East Liverpool, Ohio
Madison, Indiana
Brownsville, Texas
Savannah, Georgia
Carteret, New Jersey
Los Angeles, California

beans. About that time, a barter contract had been signed between Japan and Red China involving approximately 300,000 tons of Chinese soybeans. Under such circumstances Mr. Strayer's visit to Japan was most timely. Because of the contemplated importation of a large quantity of Chinese soybeans he was practically nailed down to concentrating on that problem.

3—George A. Parks, Jr., of Foreign Agricultural Service, came to Japan 10 days after Mr. Strayer's arrival. With important men arriving in Japan one after the other the wheels of our Institute suddenly started moving at high speed. The Manager's routine work at his desk had to be done after dark.

4—One consumers' meeting with miso and shoyu manufacturers was held in Chiba City. Mr. Strayer and Mr. Rollefson of the Agricultural Attache's office attended.

5—The first of a series of soybean oil cooking contests was demonstrated in the Housewives Building in Tokyo. In spite of the busy schedule Mr. Strayer and I went to observe the meeting.

April

1—The Japan International Trade Fair opened in Osaka on Apr. 12 and lasted until Apr. 27. U. S. soybeans were shown along with other agricultural products like cotton, wheat, tobacco and tallow. Mr. and Mrs. Albert Dimond, Lovington, Ill., and C. M. Gregory, Dike, Iowa, arrived in Japan to be in charge of the Osaka Fair.

2—Taking advantage of the Osaka Fair, we held a meeting at Osaka to promote soybeans and soybean products to the oil processors, miso, shoyu and other groups. Mr. and Mrs. Dimond and Mr. Gregory attended the meeting and made speeches. Another meeting was held about 3 hours' drive from Osaka, in Tatsuno City, which is famous for the manufacture of shoyu. There are many old established shoyu makers in that city.

May

1—The second of the series of soybean oil cooking contests was held in Osaka, and the third in Nagoya City. In both of these meetings, beside the prefectural officials, the chief of oil and fat section, Ministry of Agriculture, attended and delivered speeches stressing the necessity of eating more soybean oil.

June

1—Under the auspices of the Shoyu Association a class was held in Tokyo to give lessons on various aspects of shoyu to the high school teachers of home economics. Before the lectures, the teachers were ushered into the room where various panels were displayed with explanations and statistics on shoyu and U. S. soybeans. Everyone in attendance received a collection of shoyu samples contributed by the various shoyu manufacturers.

Another meeting on miso, shoyu and tofu was held in the city of Sendai, the second important miso area. Here again Mr. Termohlen was a good demonstrator.

July

1—Under the joint auspices of the Ministry of Welfare and our Institute three quite out-of-the-ordinary meetings were held. They were for the officials in charge of the health and nutrition section of each of the prefectures. We have 46 prefectures in Japan beside Hokkaido. The officials of the different prefectures were assembled in three cities, one in Tokyo, one in Nagoya and the other in Ooita, Kyushu. Two-day meetings were held. The objective of the meetings was to review and to evaluate the activities of the various health centers in connection with promotional work on soybeans and soybean products and also to familiarize the officials with the new kitchen-car program which started in May to last until January 1960.

In many of the above meetings some one from the Agricultural Attache's office accompanied us. This increases the effectiveness of our PR work and is very much appreciated.

Kitchen Car

I must say a word about the kitchen cars. Beginning in May a total of 12 cars are touring all over Japan to demonstrate cooking dishes by using soybeans and wheat. This is a joint project to be carried out by the Oregon Wheat League and the American Soybean Association.

Results

Now you may ask whether all of these activities are worth the money invested. To appraise the results of PR is very important and necessary but very difficult, especially in Japan where the import of soybeans is under government allocation.

I can judge from the increased interest shown in soybeans that the consumption of soybean products is increasing. Soybeans are becoming very popular. Women's associations, daily papers, magazine and periodicals are talking and writing more about soybeans now. Soybeans are very often on radio programs, with soybean recipes included. Scientists mention soybeans oftener. We are receiving more inquiries on soybeans and requests for pamphlets and recipe books. A woman teacher from Hokkaido has written to us for literature to be used in her class. She has printed questionnaires on subjects relating to soybeans for her class. We have frequent requests from girls' universities for information on soybeans. A university school for nutritionists asked us to give lectures on soybeans in one of their meetings.

Chinese Soybeans

I wish to wind up my report with some reference to perhaps the most important problem, involving Chinese soybeans. This problem has been and will be a headache to all of us.

The Chinese soybean has a long history. Before the war Japanese soybean needs were supplied by Chinese soybeans. Because of familiarity with their quality and the advantage of less freight compared with U. S. soybeans, they are quite popular in Japan. Until the trade between Japan and China came to a break there were many food manufacturers who preferred Chinese soybeans. As I mentioned, when Mr. Strayer arrived in Japan last March several soybean contracts had been purchased by Japanese importers from Red China, for a total of about 250,000 tons to be bartered with steel goods contracted by the iron works for export to China. Strenuous efforts had been made by Japan-China trade groups to persuade the Japanese government to approve the purchases. If approval was given and an import allocation made for the Chinese beans the import of U. S. soybeans would have to be much reduced. You will be surprised if I tell you how we struggled and what we did in the attempt to check the import from China. Mr. Termohlen, with the top level officials of the Embassy, cooperated with us. Day after day we concentrated on this struggle. Certain Japanese government officials were quite insistent in favor of approving the import of Chinese soybeans.

The strong protest followed by suspension of trade talks between Japan and Formosa was an influential motive which led to the final disruption of the overall trade between Japan and Red China. Soybean contracts have been scrapped. Who knows how Mr. Strayer's and my activities have influenced the situation?

"My, they grow up *so* fast"

"It seems such a short time ago that Joan was just a baby. And now she's starting high school!

"Funny how youngsters seem to grow up so much faster than when I was a girl. But I guess it's just this day and age . . . everybody's so much busier . . . doing all kinds of new things . . . and so many new products and conveniences . . . why, you just lose all track of time.

"Just imagine—now we have every single convenience on the farm that they have in the city. And it wasn't very long ago that keeping house on a farm meant working harder than other wives.

"Oh, I'll admit life on the farm hasn't always been easy. But it seems like Ed and I have had a lot more good times than poor ones. We've made a good team. And things have changed so much since we started on the farm.

"There are so many more people now! And judging from stories in the papers, there'll be almost twice as many people in years to come. My gracious, I wonder how many houses it will take to make enough homes for them all? And how much more food will it take to feed them? What a challenge it's going to be for our farms to produce so much more! I guess it means a man will have to be a really *good* farmer.

"Of course, to be a good farmer means our youngsters, and we too, will have to be alert and smart. Things are bound to come along that will change some ways of farming, and we'll have to adjust to them.

"I guess the best thing *we* can do is to bring Joan up properly. Then, let her make up her own mind what she'll do. Her farm background should be valuable in whatever she chooses. I can't help but think, though, that Joan will see things as I did and become a farm wife. A lot of work and responsibility—yes. But if the future rewards her as it has me, it will be the wisest decision she'll ever make."

* * * * *

You know, that's the sort of thinking that's been going on at Cargill, too. It makes good sense to us.

We have a lot of confidence in today's farm folks, and their youngsters.

As a Creative Processor of farm products, we've worked closely with farmers for 93 years now—and we've learned just how much these people contribute to this country's economy. The farmer represents free enterprise in its finest form.

With the statisticians predicting a U.S. population of 220 million by 1975—then topping that by predicting a world population of 3½ billion by 1999—it figures there will be a lot more farm products consumed than there are today. That means a larger demand on the farm than ever before . . . a tremendous new challenge to Cargill Creative Processing to find new ways to change raw farm crops into finished products, and to find new markets for those products.

Cargill
CREATIVE PROCESSING

93 Years of
Creative Processing
of Farm Products

CARGILL

Mototaro Sugiyama

The Soybean Situation In Japan

Restrictive measures and boycott of Japanese goods in America may strengthen position of China trade expansionists in Japan.

By MOTOTARO SUGIYAMA
President, Association of Oil and Fat Manufacturers of Japan, Tokyo

ASA's 38th Meeting

IT WAS IN JANUARY of this year that I succeeded Mitsuo Hirano as president of the Association of Oil and Fat Manufacturers of Japan. Therefore, my experience as president of the Association has been only of several months' duration. However, being also president of Hohnen Oil Co. which consumes the largest quantity of American soybeans imported into Japan, I believe with modesty that I am one of the best qualified men in our country to speak on the Japanese soybean situation before this convention.

As you know, our country is today the No. 1 buyer of American soybeans in the world, and approximately 80% of the total imports are used by our crushing industry.

First of all, I wish to report to you about the problem of Chinese soybeans in Japan in which, I think, all of you are most interested at the moment.

The modern Japanese crushing industry started from the processing of Manchurian soybeans about a half century ago, and because of the long experience and familiarity with Manchurian soybeans many processors even today have a feeling of nostalgia for soybeans from the Chinese Mainland. But nostalgia and actual commercial trade are two entirely different things.

At the beginning of this year, there arose the problem of importing Chinese soybeans on a barter basis in exchange for Japan's exports of steel products to Communist China, and we as buyers of soybeans felt it necessary at that time to state our position clearly as follows:

1—We will be prepared to buy Chinese soybeans if they are competitive both in quality and in price with American soybeans.

2—We strongly desire that the trade method employed by the Chinese be improved to one of more reasonable basis, because we are not satisfied with the way in which the Communist government authorities one-sidedly decide quantity, price, and time of shipment, and even designate Japanese importers to handle the transactions.

3—We ask the Japanese government to maintain in a strict sense the system of Global Budget Allocation under which we can import soybeans from any source of the world according to our own choice.

In spite of the announcement of our basic attitude as above, the pressure in favor of soybean imports from China was increasing from the so-called "China trade expanionists" in the government—diet and trade circles as well—and finally toward the end of April we were forced to contract for a certain amount of Chinese soybeans.

While the situation was such, both the Chinese and Japanese governments were discussing the problem of treatment of the Chinese national flag in Japan and in the midst of the negotiation an unfortunate flag incident occurred in Nagasaki. Following those political developments, the Communist government suddenly announced on May 10, for political reasons still not exactly known to us, to break off all trade relations with Japan, including of course soybean exports to our country. Thus, what we feared most now became a reality.

As mentioned before, we had a sense of insecurity for our trade with Communist China, and consequently, we were not willing to rely on China for the supply of the important raw material for our industry and the source of fat and protein to our population.

Then, what will be the future development of this problem? Nobody can answer this question with certainty as it now involves basic differences in the political and economic systems of Communist China and Japan.

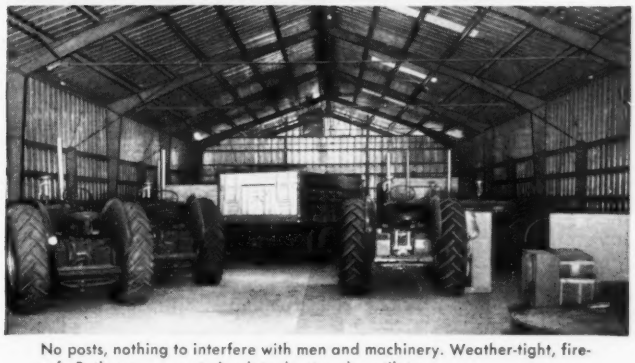
Next, I would like to have a few words on American soybeans in Japan.

The percentage of American soybeans in the total amount of our soybean imports was 91% in 1953, 87% in 1954, 71% in 1955, and 75% in 1956 and in 1957, while that of Chinese soybeans was 4%, 6%, 3%, 23%, and 24% respectively. We can tell from these figures that about three-quarters of the total soybean oil and other soybean products consumed by the Japanese people are today made from soybeans grown by the American farmers. It is now 10 years since products from American soybeans were introduced to our Japanese households, and during those years the feeling of nostalgia among the Japanese people for Manchurian soybeans has been gradually replaced by a new sense of attachment and friendship for American soybeans.

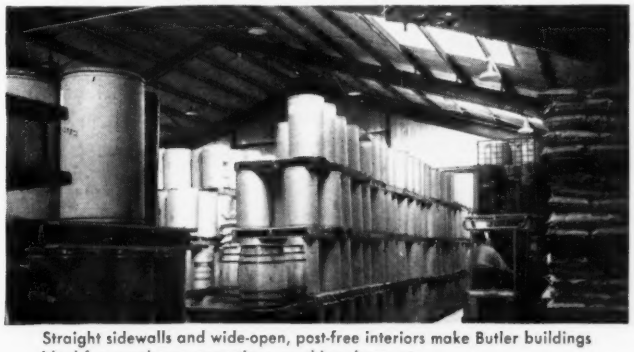
In recent years competent officials of the U. S. Department of Agriculture and many leaders of your soybean industry have visited our country and established personal contacts, which I am sure have greatly contributed to deepening our sense of attachment for and understanding of your soybeans.

I think there is a bright future for American soybeans in the Japanese market, but we should not be mere optimists simply watching the situation take its natural course. It is quite possible at any moment that the Chinese will abruptly decide to return to our market to compete with American soybeans, for which we must be well prepared.

Also, the restrictive measures and boycott of Japanese commodities in America may strengthen the position of the "China trade expansionists" in various sections of our economy. I am convinced that these and other problems confronting our processing industry will be fully understood by the people who have today assembled here from all segments of the American soybean industry.



No posts, nothing to interfere with men and machinery. Weather-tight, fire-safe Butlers are easy to insulate, heat and ventilate.



Straight sidewalls and wide-open, post-free interiors make Butler buildings ideal for warehouse operations, machine shops, etc.

A GRAIN STORAGE BUILDING IS A PROPERTY INVESTMENT, TOO!

First and foremost, you select a grain storage building to provide *safety* for its contents. The building must seal out moisture, pests and all other possible sources of contamination—year after year. Any building that won't do this job is no bargain at any price. When you specify a Butler, safety is the least of your worries because Butler grain storage buildings have earned a reputation as the safest grain storage buildings made.

But equally important . . . a Butler is also a sound property investment. The same wonderful features that make a Butler strong, tight and dry for grain storage, make it ideal for other uses too. For, thanks to the extra strength of Butler's rigid frame construction, no interior posts or floor brace rods are needed—the building is all room inside. Doors are big for easy entrance, and more can be added without extra structural expense. You get lower insurance rates, fire and lightning safety. And most important is the positive moisture and vermin-proof protection that only perfectly-fitting, die-formed Butler metal cover panels can provide.

Look at it this way: if someday you decide not to use your Butler for grain storage, it can become a warehouse, a garage, a machine shop, or one of a dozen other profitable facilities. You can lease it, or sell it, and never worry about it turning into a "white elephant."

But see your Butler Builder. He's listed in the Yellow Pages under "Buildings" or "Steel Buildings." He'll give you a booklet on grain storage buildings and he'll tell you why, for safe, profitable storage now . . . dividends on your investment later on, you can't go wrong on a Butler, the "finest flat storage structure in the world." Or, write to us direct.

BUTLER STEEL PRODUCTS

BUTLER MANUFACTURING COMPANY
7461 East 13th Street, Kansas City 26, Missouri

Manufacturers of Buildings • Oil Equipment • Farm Equipment • Dry Cleaners Equipment • Outdoor Advertising Equipment • Custom Fabrication
Sales Offices in Los Angeles and Richmond, Calif. • Houston, Tex. • Birmingham, Ala. • Atlanta, Ga. • Kansas City, Mo. • Minneapolis, Minn. • Chicago, Ill. Detroit, Mich. • Cleveland, Ohio • Pittsburgh, Pa. • New York City and Syracuse, N. Y. • Boston, Mass. • Washington, D. C. • Burlington, Ontario, Canada

Edward M. James

Markets for Soybean Oil In Spain and Turkey

Spain and Turkey will continue to be good markets for U. S. soybean oil, depending on the continuation of P. L. 480.

By EDWARD M. JAMES

Technical Consultant,
Soybean Council of America, Inc.

DURING THE PAST year I have made several trips to Europe in connection with marketing projects for soybean products which have been undertaken by the Soybean Council in cooperation with the Foreign Agricultural Service, USDA. I have been asked to tell you something about these trips and to comment on the potential markets for soybean oil in the countries which I visited.

So far my work has been confined to two European countries, Spain and Turkey, and the problems encountered have differed radically between the two. Since my first trips were to Spain, it will be suitable to begin my discussion with this country.

Spain is the largest producer of olive oil in the world, and paradoxically, one of the smallest exporters. The reason for this is that the edible fat used in Spain is almost universally a liquid oil, and since the Spanish people have depended on olive oil for untold generations, they prefer this product to all others. Added to the preference for olive oil is the fact that the population of Spain is steadily increasing, and therefore more fat is required each year. In an attempt to give the people a reasonable fat ration, the Spanish government has placed strict controls on the price of olive oil, which are considerably below world prices.

ASA's 38th Meeting

Outside of olive oil, the only domestic oil produced in quantity is cottonseed oil, which amounts to some 12,000 metric tons per annum. Attempts are being made to grow peanuts for oil, particularly in the area of Valencia on the Mediterranean coast, and to raise soybeans in Andalusia and Estremadura, but neither of these projects appears to hold much promise for the near future. Thus Spain has had to import large quantities of vegetable oils, the most of which has been soybean oil purchased in the United States under P. L. 480. Since olives are a cyclic crop, a year of good production being always followed by a poor year, the demand for other vegetable oils will fluctuate from year to year.

Olive oil production is in the hands of the Olive Oil Syndicate, a group which is very powerful both financially and politically. These people recognize the need for the importation of vegetable oils to maintain the fat ration, and they are willing to have large amounts brought in. They believe that if enough vegetable oil is imported, they will be able to export more olive oil at world prices, and thus increase the supply of foreign currency available.

However, the Spanish government is not willing to allow the sale of foreign liquid vegetable oils as such. By law these must be blended with olive oil and the blended oil sold to the consumer. Practically all of the soybean oil imported has been used in this manner. The amounts in the blend sold have varied from 30% to 70%, depending on the size of the olive crop.

Restrictions Imposed

Thus the Spanish people have never had an opportunity to use pure soybean oil. The necessity of blending has led to certain abuses, as follows:

Spanish law defines edible olive oil as a product which contains no more than 3.0% FFA (free fatty acid). Oil containing more than this, up to 10% FFA, may be caustic refined, bleached, and deodorized, and either sold as such or blended with virgin oil. A minority of Spanish blenders have mixed the neutral, deodorized American soybean oil with an olive oil containing more than 3.0% FFA, and hence classed as inedible, to give a final product which will meet the legal standard, and when the consumer complains about the poor quality of the product, have laid the blame on the soybean oil. This has resulted in a prejudice against bean oil in the mind of the Spanish consumer, a prejudice which is hard to overcome.

Most of the U. S. soybean oil shipped to Spain has been fully refined, (neutralized, bleached, winterized, and deodorized) in drums, and has been of good quality, but there have been complaints from some blenders that the flavor is occasionally poor. This may in many cases be due to the age of the oil, which is always 6 to 8 weeks from the deodorizer until it is received in Spain, and in a few to poor initial quality.

Recently the Spanish government has been buying a certain amount of degummed soybean oil, which is distributed to various refiners from a central unloading station. This oil has been purchased under NSPA rule 102 and is shipped in bulk. The Spanish refiners are eager to obtain degummed crude oil, since its processing keeps their refineries busy, and, so far at least, they have been able to dispose of the small amount of soapstock produced.

In the course of my visits to Spain I was able to inspect a number of refineries, and had the opportunity to discuss operation with both technical personnel and management. All Spanish refineries are licensed to process a maximum of oil per day, and a system of periodic inspection insures that this quota is not exceeded. This expedient has been adopted by the government in order to keep as many plants in operation as possible.

If a refiner wishes to increase his production, or if a new company wishes to enter the business, the only way in which this may be done is to buy out another refinery, and combine the production quotas of the two plants. In such cases, equip-

ment may be moved from one location to another, or even scrapped.

Since olive oil is the principal crude oil processed in Spain, almost all of the Spanish refineries are designed to handle this material, for which a special technique and equipment have been developed. These seem primitive but they are effective, and the finished product is of good quality. Most of the equipment is old, some 30 years or more. The lack of foreign exchange has prevented normal replacement, and only the native ingenuity of the Spanish people has kept the plants in running order. In general, the quality of the technical and operating personnel of the refineries is excellent, and they are eager to enlarge their knowledge of processing techniques and equipment. Many are familiar with European practice in the processing of edible stocks, particularly in Germany, and I believe that given modern equipment they would do an excellent job.

In determining the future market for soybean oil in Spain, careful account must be taken of the powerful Olive Oil Syndicate. They will continue to welcome the importation of large amounts of bean oil, but I am sure that they will fight to maintain the laws against the sale of bean oil as such, in the fear lest the Spanish consumer, if once introduced to a liquid bean oil of good quality, might develop a taste for it.

So long as the bean oil is used as an olive oil extender it brings the same price as olive oil, and if the domestic olive oil is diluted sufficiently, it will be possible to increase exports at world prices both to Europe and Latin America considerably. Contrary to the belief of some of the Spanish people, olive oil exports to the United States are quite small.

Of course every effort should be made to maintain the quality of the soybean oil shipped to Spain, and this can best be done by encouraging the purchase either of degummed crude oil which can be refined, bleached, and deodorized in the Spanish refineries, or once refined oil, which can be finished in Spain. This course will have one very decided long-term advantage for the whole soybean industry in that the finished deodorized oil will come into the market in a much shorter time than is possible with oil completely refined and shipped from the United States.

Another advantage is this: U. S. and European tastes in edible oils differ markedly. We prefer an oil which is almost completely bland in flavor, while they like an oil to have a definite taste. Their deodorizing technique is designed to this particular end, and it would seem logical to assume that the Spanish refiners would quickly learn to satisfy their customers in this respect.

There are two other potential markets for soybean oil in Spain, which I believe can be developed from the long-term point of view.

Use in Margarine

The first is the use of soybean oil in margarine. In Spain the term "margarine" is used to cover both margarine as we know it and shortening. Butter in Spain is scarce and expensive, and margarine is used in hotels and restaurants as a butter extender. This material contains no milk, since the shortage of milk is so great that its use for this purpose is forbidden by law. The margarine contains fat (approximately 80%), water, salt diacetyl for the butter flavor, and vitamins. There is also a growing demand for margarine in the baking trade, in this case either with a low water content or anhydrous.

There is one Spanish company which manufactures a shortening of the compound type which is sold exclusively to bakers. They have no case goods business.

Raw materials for margarine and shortening production are cotton oil, refined olive oil, and, when obtainable, whale oil, palm oil, and palm kernel oil. No soybean oil has been used, although it is a most excellent oil for hydrogenation for margarine.

Although the margarine business in Spain is relatively small (estimates varying between 9,000 and 15,000 metric tons per annum were given me), it is increasing each year.

Another potential market for bean oil, as yet practically untouched, is the protective coating industry. Since the need for edible oils is so great the Spanish government has understandably refused to assign any P. L. 480 bean oil to this industry. What little they have obtained has been purchased with dollars. Nevertheless, this is a potential market. An entering wedge could be obtained by distilling soya acid oil resulting from the refining of crude degummed bean oil. Excellent fatty acid distillation facilities now exist at AGRA in Bilbao.

To sum up, Spain is, and will continue to be, an excellent outlet for U. S. soybean oil, but in the foreseeable future purchases will be under P. L. 480, and will depend on the continuation of this legislation. So long as it is against the law to sell liquid soybean oil as such, there is little likelihood of this material gaining a foothold in the Spanish domestic market, and to exert pressure at this time would be to antagonize the powerful Olive Oil Syndicate.

The use of hardened bean oil in margarine and shortening can certainly be pushed, and in the long run will, I am sure, be productive of increased business. The drying oil industry offers another potential market, for a considerable tonnage of bean oil, but this is in the relatively distant future.

The Turkish Market

The situation in Turkey is radically different from that in Spain, despite the fact that Turkey is a producer of olive oil. A well established "margarine" industry has developed in the last few years, and production is growing as rapidly as the scarcity of raw materials will allow. In addition to olive oil Turkey produces the following vegetable oils: cottonseed, sunflower, sesame, and a small amount of miscellaneous oils such as rapeseed and tobacco seed.

Along the coast of the Black Sea some soybeans, (7,000-8,000 metric tons per annum) are produced, but all are exported to Europe as beans.

We had great difficulty in arriving at reasonable estimates of the actual production in metric tons of these various oils. Olive oil varies from 35,000 to 65,000 tons depending on the year, cottonseed oil from 25,000 to 28,000 tons, sunflower—which has recently been drastically reduced by a parasitic plant known as broom rape which attacks the roots of the sunflower plant—from 15,000 to 20,000 tons, sesame 3,000-5,000 tons, and miscellaneous oils less than 1,000 tons.

Although now prohibited by law, a certain amount of olive oil has always been used for making soap, and some sunflower and cotton oils also. Olive sulphur oil, and the soapstocks from the refining of olive, cottonseed, sunflower, and sesame oils are also used for soap. Domestic production of tallow (mostly mutton) in commercial rendering plants is small (5,000 metric tons per annum) and Turkey is in desperate need of soap fats.

Turkish law defines edible olive oil as one which contains not more than 5.0% FFA, but does not forbid caustic refining of any grade. Blending is prohibited except in three plants licensed by the Turkish government, in which two grades of olive-deodorized cotton oil blend are produced. One blend is a 50-50 mix-

ture, which gives a finished oil with 2.5% FFA, and the other 30% olive-70% cottonseed oil, which gives a finished oil with 1.5% FFA. Some other liquid oil beside virgin and refined olive oil and the two blends mentioned above is consumed, but we were unable to obtain any estimate of the amount.

Margarine in Turkey

The term "margarine" in Turkey is used to cover table margarine, shortening, and vegetable ghee. The latter is very widely used and is quite popular for cooking. It is an anhydrous, grainy fat composed of a mixture of partly hardened cottonseed oil, liquid cottonseed and sunflower oils, and 5% of liquid sesame oil, and must have a slip melting point of not more than 36°C. All solid vegetable fats manufactured in Turkey must meet the above melting point specification and must contain 5% of sesame oil to allow the products to be distinguished from natural ghee (the clarified fat of water buffalo milk) or butter by chemical analysis.

Natural ghee has a strong, cheesy flavor, which the Turks like, so vegetable ghee is given a similar taste. About 75% of all hardened vegetable fats produced in Turkey is in the form of ghee, and all are fortified with vitamins A and D.

Table margarine is currently produced by only one company, Unilever of Istanbul, and has more or less the same composition as U. S. margarine: i.e., 82% fat and the balance water, milk solids (usually in the form of powdered milk), salt, butter flavor, etc.

By an odd quirk the Turkish law which prohibits the blending of liquid oils is interpreted to mean that a blend of oils may not be hardened, although the blend for ghee is legal. This means that shortening cannot legally be made by hardening a mixture of cottonseed and other oils to a fixed melting point, which puts a heavy burden on the shortening manufacturer when cottonseed oil is hard to obtain.

My visit to Turkey was prompted by a change in the oil purchased this year under P. L. 480. The Turkish government had asked for 55,000 metric tons of cottonseed oil, but because of the short cotton crop in this country they were allocated only 27,500 tons of cotton oil, plus 27,500 tons of soybean oil. The cotton oil was bleachable prime summer yellow, but the bean oil was fully refined. The entire shipment was in standard 55-gallon drums.

Since no one in Turkey had ever handled soybean oil, a request was made for information and help in processing it, and my assignment was to work with the government and the refiners to this end.

At first this seemed a rather simple task, for the large amount of hardened oil produced would make it appear easy to hydrogenate soybean oil in place of cotton for the required blend in margarine and ghee. However it developed that the available equipment for the production of hydrogen gas was already strained to capacity, and since considerably more hydrogen is required to harden bean oil than cotton oil, this would have the net effect of a drastic curtailment in production. For example, the hydrogenation of even a 50-50 blend of cottonseed and soybean oils would reduce capacity by 25%.

Another approach to the problem of using up the bean oil would be to substitute the latter for unhardened sunflower oil in ghee and margarine, since the two oils have much the same chemical composition. Unfortunately the possibility of flavor instability in bean oil, with which the Turkish refiners were thoroughly familiar, caused them to fear that the hot summers and the complete lack of refrigeration in the rural areas would cause their products to go off in quality. However, after tasting their ghee with its very strong, cheesy flavor, I was able to persuade the manufacturers to try the substitution of liquid soybean oil for sunflower oil in the belief that any slight off-flavor would be completely masked.

However, this would not use up more than a part of the total bean oil purchased, and we then recommended that the cottonseed oil normally used to blend with the olive oil in the government licensed plants be withdrawn and allocated to the margarine manufacturers. We also recommended that all of the P. L. 480 cotton oil be held for margarine, ghee, and shortening.

Finally, we recommended that the balance of the P. L. 480 bean oil be sold immediately as straight bean oil for cooking, at a price below olive oil or olive oil blends. This latter recommendation caused considerable hesitation on the part of the department charged with allocating the shipments, and I do not know whether or not it was followed.

The Turkish refiners were all eager to obtain either crude, degummed, or once refined bean oil which they could finish themselves, and this course has the same advantages as previously noted for Spain. It is quite possible that future purchases under P. L. 480 will be along the above line.

I was able to visit and inspect a number of Turkish refineries and to study their facilities in some detail. In the main the equipment is much more modern than in Spain, and I was greatly impressed by the cleanliness and good housekeeping in the various plants. The technical people were all well trained and seemed to know their business. The same is true of the management. Everyone, however, complained of the difficulty and delay in obtaining spare parts. One forward looking manufacturer who wishes to double his hydrogen gas production to be able to use large quantities of bean oil in his products estimated that even though he has the money available for the expansion it will take him over 2 years to complete the installation, because of government regulations.

In summary, I should say that Turkey will provide an excellent market for soybean oil for a long time to come, but again this market is dependent on P. L. 480 allotments. The rapidly expanding demand for margarine and ghee offers a fine opportunity for the consumption of large tonnages of bean oil, and there is no popular prejudice against it.

There is now production capacity for about 80,000 metric tons per annum of margarine and ghee if the raw materials are available, and even this is not nearly enough to meet the demand. In this case the bottleneck is hydrogen production, and if means can be found to overcome this difficulty, the market is assured.

In the case of Turkey there is a chance that the large sums now being expended by the petroleum companies may pay off in real production, and should this take place Turkey will be in a position to import not only bean oil but many other U. S. agricultural products for dollars.

In closing, I wish to acknowledge the cordial and gracious reception with which I met everywhere I went in both Spain and Turkey as a representative of the Soybean Council. I sincerely believe that the opportunity is there for the soybean industry to expand the consumption of soybean oil in these countries which are so badly in need of edible fats.

At the start of our 25th year we welcome the Chemurgy Division

Now . . . Central Soya can serve American Agricultural industries more efficiently. The Chemurgy Division brings to Central Soya facilities for soya processing in Chicago and Indianapolis, grain storage in Chicago, Indianapolis, Seneca, and Lockport, Illinois . . . also included are facilities for the production of industrial and edible proteins, soya lecithin, soya flour, and other soya products. This new division will result in an even greater contribution to "Foodpower . . . U.S.A."!

Chicago, Ill.

Chicago, Ill.

Indianapolis, Ind.

Decatur, Ind.

Gibson City, Ill.

Marion, Ohio

Chattanooga, Tenn.

CENTRAL SOYA CO., INC.
Fort Wayne, Indiana

T. A. Hieronymus

Market Potential for High Protein Concentrates in Northwest Europe

Both Europe and America are fat saturated—and there is an expanding market for protein concentrates.

By T. A. HIERONYMUS

Associate Professor of Agricultural Marketing, Department of Agricultural Economics, College of Agriculture, University of Illinois, Urbana, Ill.

THE PURPOSE of the investigation that I made was to explore the potential market expansion for high protein concentrates, particularly soybean oil meal, in six northwest European countries. These are the United Kingdom, Belgium, France, the German Federal Republic, Denmark, and the Netherlands. Excepting the United States these countries are the most important users of high protein concentrates for livestock feeds, and they import a very high proportion of their requirements, as cakes and meals and as oilseeds.

Considerations in export potential. The export potential of soybean meal as such, or as soybeans, to the six northwest European countries depends on the size and potential size of the market for high protein concentrates within the countries. Any activities of the United States as a government or as individual firms in stimulating exports need to be directed toward exploiting the potential expansion that already exists; that is, in speeding up market development.

ASA's 38th Meeting

Basic to the market for high protein concentrates is the market for livestock products. The rate of population growth, increase in consumer incomes, consumer preference levels for livestock products, and relative prices will establish the levels of animal production.

Trends in livestock numbers and the kinds of livestock produced importantly affect the requirements for high protein concentrates.

Protein supplies and requirements are a major factor in market size and trend in market size. The adequacy of protein supplies importantly determines the rate of market expansion. If rations are deficient in protein a different market potential is indicated than if proteins are adequate or overabundant. The supply situation of proteins in general, and of individual kinds, affects the market for other individual proteins. The evaluation of the quality of the individual proteins affects their market potential. For example, if soybean meal is considered as a low-quality protein source its market can be expanded by improving its quality and the evaluation of its quality.

In the exploitation of any market potential there must be a selling agency. A very important selling agency for better-balanced animal nutrition is the formula feed manufacturing industry. As its growth and development go so will also go the volume of protein concentrates.

The oilseed crushing industry needs expanding markets for its products if it is to increase its volume. The quality of the cakes and meals that this industry produces and the impetus that it supplies in the promotion of its products affect the development and the size of the market for high proteins. The kinds of oilseeds crushed determine the kinds of meal used. The competitive position of the oilseed crushing industry in relation to oilseed crushing industries in the countries of oilseed origins affects whether oilseeds or cakes and meals are imported.

These several considerations of market size and potential were investigated and are discussed below.

Method of investigation. The pattern of the study was to compile and examine the statistics pertinent to market size and then go into the countries involved to supplement the statistics, to obtain interpretation of the statistics, to discuss problems of expansion, and to obtain opinions about the expansion possibilities. In each country Foreign Agricultural Service personnel of the USDA, government officials of various kinds, university specialists in various fields, trade association officials, importers, exporters, traders, oilseed crushers, and feed manufacturers were contacted. In all, conversations were had with about 200 people.

Qualifications and reservations. Each one of the phases for each one of the six countries is a proper subject for an investigation fully as large in scope as this study. To specifically quantify forecasts of expansion would be a dishonest attempt to lend the respectability of numbers to a thing that is basically a generalized estimate.

Summary. Some points pertinent to the market expansion possibilities for high protein concentrates in general and soybean meal in particular stand out from the investigation.

1—The market for livestock products is expanding at a moderate rate, say 2% per year.

The rate of population growth is slow, amounting to about .8% per year.

Responses of consumers to increasing per capita incomes vary sharply from country to country. The period of postwar adjustment is not yet at an end. Accordingly, it is difficult to forecast trends. In some countries, as Germany, the rapid rate of increases in per capita consumption of livestock products likely cannot be maintained. In others, as Belgium and Denmark, the emphasis on hard goods will likely shift to food as readjustment is completed. The overall dietary level of the area leaves room for considerable improvement if consumer incomes continue to rise. There is, however, a very great conservatism in dietary patterns that will prevent a rapid shift in consumer demand regardless of consumer incomes.

The area of livestock product consumption that is the most dynamic and has the greatest growth

Livestock populations are increasing faster than protein production.

potential is meat. The increase in meat consumption is quite rapid in some countries, France and Germany in particular. Per capita consumption is quite stable in others, particularly the United Kingdom and the Netherlands. The rates of increase are not much related to the levels of consumption. With the exception of the Netherlands, poultry meat consumption is rising even though it is very expensive. As its cost is brought down by more efficient breeding and feeding and by cheaper marketing its increase should become dynamic. The pattern has been established.

The rapid growth of poultry meat demand in some areas suggests that the overall per capita consumption of meat is not as closely tied to traditional amounts as the consumption data of most of the countries tend to indicate. There is no reason to think that there is any upper limit to per capita meat consumption. But its increase will not be rapid under any circumstance.

Per capita consumption of milk is essentially static. The market appears to be completely saturated in some areas, the United Kingdom, Denmark and the Netherlands in particular. In the other three countries there is room for expansion of milk consumption but it will proceed very slowly as sanitation, refrigeration, and high marketing costs must be overcome.

Butter consumption per capita is increasing but is losing ground relative to margarine. The total consumption of the two combined is now near an upper limit per capita. In the long run margarine will supplant butter.

2—The livestock population is increasing more rapidly than the human population and likely will continue to do so for the indefinite future.

The increase in livestock population is at a somewhat slower rate than the expansion in the market for livestock products because of increases in productivity per animal.

The cattle population is about stable. In the future it can be expected that the emphasis on dairy will decrease and that on beef production will increase.

Swine and poultry populations are increasing and this trend can be expected to continue. The poultry population for meat production is expanding rapidly; this development is in its infancy. The rate of expansion is difficult to forecast but will likely be less rapid than the comparable development in the United States was. There are two primary reasons: (1) the lack of marketing facilities and (2) the more conservative behavior of consumers.

The general increase in the relative importance of swine and poultry is resulting in an increased requirement for feed concentrates, including high proteins, per animal unit.

3—Current supplies of high proteins per animal unit are moderately less than optimal.

Cattle have been fed more high protein concentrate than needed for nutritional balance. At this time there is some overfeeding and some underfeeding.

Swine and poultry rations are deficient in proteins. In this regard there is much variation among countries. France and Germany are the only two of the six countries with deficiencies substantial enough to present an opportunity for major market expansion on this basis.

The existing market for high protein concentrates is much closer to saturation than that of the United States.

Skim milk, a byproduct of the butter industry, furnishes a large share of proteins needed in balancing swine rations. As swine numbers increase in relation to dairy cow numbers and as butter production declines the requirements for high proteins to substitute for skim milk will increase.

High protein supplies per animal unit are currently increasing at a rate of about 3% per year.

A rough estimate of the amount of high protein concentrates needed to put animal rations at an optimum level can be made by determining the amount needed to put all countries at the same ratio of coarse grains to high proteins as the United Kingdom, Denmark, and the Netherlands now are. This would require about 30% more high proteins than were consumed in 1955-56.

4—The mixed feed industries of the six countries are increasing their volume rapidly.

There is a marked shift from the proportion of feeds that are for cattle to the proportion for swine and poultry.

Nutritional standards for mixed feeds are tightening up rapidly.

Soybean meal is continually being given a higher evaluation as a protein supplement.

There appears to be the beginning of a protein supply problem.

Soybean meal is of relatively low quality and there is great variation in its quality among countries and among oilseed crushing plants.

The value of soybean meal as a source of protein is generally underestimated. It is, however, improving its competitive position fairly rapidly.

5—The situation of the oilseed crushing industry is such that oilseeds rather than cakes and meals are apt to be imported in increasing proportions in the future.

The shipping costs of oilseed cakes and meals as oil are less than the shipping costs of cakes and meals.

Local crushers have a merchandising advantage over importers.

The tariff arrangements on oilseeds, oils, and cakes and meal very markedly favor the importation of oilseeds.

To a limited extent the oilseed crushing industry is assisted with governmental subsidies.

The processing capacity is much greater than current processing volume and there are vigorous efforts being made to increase the volume of crush.

The upper limit on oilseed crush, in the long run, will be established by the size of the market for domestically processed oils. As this limit is reached, cakes and meals will be imported in increasing volume unless export markets can be found for oil.

Size of the economic market. How big is the economic market for high protein concentrates? Rough calculations indicate a potential increase of some 30% on the basis of current livestock numbers and kinds. Increases in population and per capita consumption of meat and poultry meat add some 2% per year to the market size.

Livestock populations are increasing faster than protein production from forage. Because of the labor problems of increasing production, further increases in requirements of proteins will continue at a faster rate than production of forage proteins. Because the proportion of the total protein supply that is obtained from forage is much greater than that obtained from high protein concentrates there is a multiplier effect

of the increase in requirements in relation to forage production. Not enough is known of protein sources and totals to calculate this effect on market size.

Skim milk as a source of protein is declining, both absolutely and relatively. A reduction of skim milk supplies to two-thirds of their current levels during the coming decade appears as a reasonable expectation.

No precise calculation of the size of the market 5 to 10 years from this time can be made. The several considerations involved suggest a market size some 50% greater than current consumption. Whether it is 50%, or 30%, or 80% is not of great consequence. The important conclusion is that the potential market size is substantially greater than current consumption.

The more important consideration is the rate of market expansion. The rate of increase in high protein utilization during the past 6 to 8 years has been 5% to 7% per year. There is no tendency for the rate of increase to decrease in the later years of the series. On the basis of changes in population and per capita consumption of livestock products and increases in high protein per animal alone we can expect a 5% per year expansion. The beginning of a poultry meat industry, the dynamics of the formula feed industries, and the need of oilseed crushers for expanded product markets suggest a more rapid rate of expansion in the future than has been experienced in the recent past.

The most rapid potential expansion is in France and Germany. These are the two countries with the greatest protein deficits in livestock rations and the greatest propensity to increase consumption of livestock products. The rate of expansion in these two countries will depend on continued consumer demand for increased meat consumption, improvements in the quality of high protein concentrates, the rate of development of poultry meat industries, and the rate of advance in the technology of animal nutrition.

The United Kingdom presents an interesting case. The level of feeding efficiency is high and the rate of increase in consumer demand for livestock products is low. Yet there is a continuing increase in the use of high protein concentrates. It is apparently tied to the expansion of the mixed feed industry. The dynamics of this industry are such that it would be an error not to expect a continued expansion of use of the same general size as that of recent years.

In the Netherlands and Denmark feeding efficiency is at a very high level. Substantial market expansion can be expected out of the decrease in butter production as compared to pork production and the shift to swine and poultry production.

The Netherlands and Denmark are livestock product factories, importing feed and exporting products. Market expansion for high protein concentrates will depend, to a very great extent, on export volume. From a purely economic point of view the export situation is favorable because these two countries hold a comparative advantage in livestock production. However, the political situations involved in the two countries are giving rise to very great pessimism about the possibilities of maintaining exports. They greatly fear that the agricultural policies of the countries to which they export are freezing them out and this will result in decreased animal production.

Problems of agricultural price policy and nationalism. To this point the discussion has been mostly confined to economic considerations. But these alone will not determine market expansion. There are agricultural policies and programs and protectionist systems that retard market development and alter the structure of production and trade.

Generally speaking, agriculture is highly protected and subsidized. In part, this is done to maintain a home-produced food supply—an attempt to become as self-sufficient as possible. It is, in part, for the purpose of supporting agricultural income. It is impossible to determine the extent to which a given program is caused by each objective. One gets the impression that concern for the welfare of farmers is by far the more important of the two.

There is a marked willingness to protect domestic industries. One needs to look no further than the relative tariffs on oilseeds and their subproducts to find evidence of this.

A fourth factor limiting market development is that of currency exchange and the protection of currency values. This again gets admixed with farm income objectives.

There is little support and protection for agriculture in Denmark. There is very little disposition to promote or protect agriculture in Belgium. There is increasing concern about the agricultural situation in the Netherlands and measures have been taken to protect the domestic price level of grains. In turn, a system of subsidizing exports is being developed. In Germany, France, and Great Britain there are large subsidies to agriculture and very extensive protection systems.

By way of example of the effect, the case of Germany can be cited. The import of feed grains is closely regulated so that the domestic price of feed grains, barley in particular, cannot fall below certain minimum levels. This, in turn, supports the price of feed potatoes and raises the costs, hence the price, of livestock products. Meat production in particular would expand substantially if it were not for this policy. It is very difficult to expand market size by price measures if the market is protected in this fashion.

In Germany there is a policy and a program to get all of the feed needed on a farm produced on that farm. This seems to have the effect of slowing down the rate of advance in the technology of animal nutrition. There is a policy of keeping poultry enterprises small and nonspecialized. This may be a good policy but it slows down the rate of poultry expansion. The large, specialized poultry operations that are developing in Germany must overcome opposition of governmental policy.

There are people in Denmark who have computed that the net farm income in Great Britain is just equal to the amount of the subsidies of various kinds paid to support British agriculture. British economists do not contradict the statement. As agriculture is expanded in Britain the cost to the treasury is increased. The situation of large subsidies and high cost to the treasury cuts two ways with regard to the market for high protein concentrates. On the one hand, it encourages production; hence, the use of protein. On the other hand, it encourages importation of products from the colonies, mainly beef and butter from New Zealand and Australia in the interest of keeping costs to the treasury down.

It appears that there is potential for increased poultry meat consumption in Europe. This does not mean that there is a great opportunity for the export of poultry from the United States. At this time poultry can be profitably exported from the United States and markets developed. Such a development has a short life expectancy. As the European market for poultry meat is developed it will become protected for domestic producers. It is a kind of en-

Increase the Dollar Capacity of Your Elevator

with Broader Service, Higher Efficiency, Faster Grain Handling!

MASTER-CRAFTED BY COLUMBIAN SINCE 1893

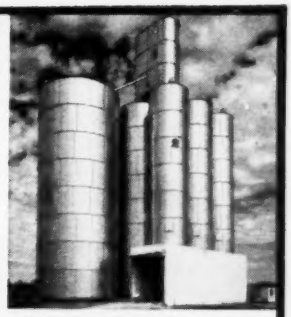
Many country elevator operators have discovered how to increase the *dollar* capacity of their elevators without building excessive storage capacity. The answer is Columbian "Look Ahead" modernization which provides the services today's customers want, faster handling of their grain and cost-cutting efficiency.

Tailored to your own requirements and the grains available in your area, Columbian engineers can design and provide efficient bolted steel blending and classifying tanks, headhouses, storage tanks and handling equipment integrated into your present operations or as a new installation.

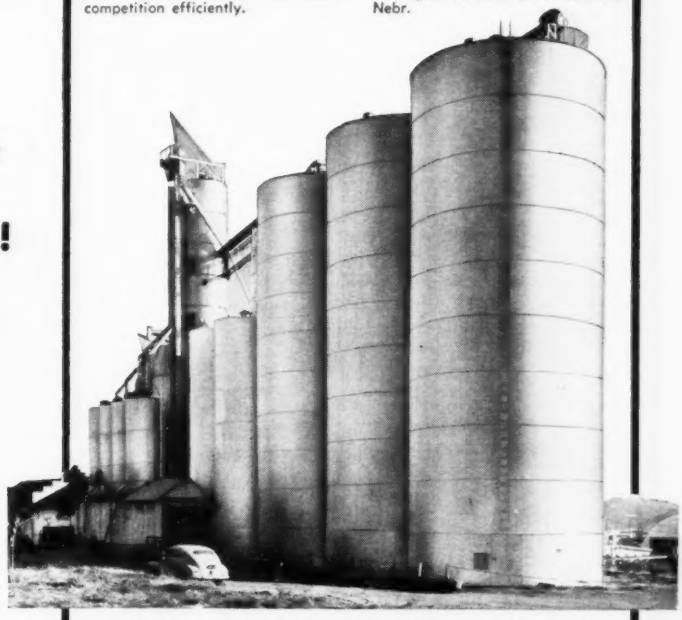
Columbian Bolted Steel tanks are tight, fireproof and vermin proof, impervious to wind and weather. They are erected fast and economically—and matching capacity for future growth can easily be added at any time.

Columbian engineers will be glad to consult with you on your own elevator problem—and give a "Look Ahead" plan for increasing the dollar capacity of your elevator operations. Write today for a free copy of the Columbian Grain Tank catalog.

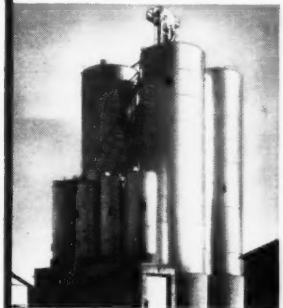
Modern Columbian blending and classifying tanks and a new headhouse, added to a part-new, part-old elevator at Oberlin, Kans., enable Center Grain Co. to meet competition efficiently.



Columbian look ahead planning and bolted steel tanks provided this completely modern 115,000 bu. "all gravity" elevator for Burlington Elevator Co. at Hebron, Nebr.



Extra "dollar capacity" from a modern 75,000 bu. Columbian bolted steel elevator built this 250,000 bu. plant for Lafayette Mill & Elevator Co., Lexington, Mo., within 10 years. Grain growers and shippers preferred it for its efficiency.



Economical Columbian Blending and classifying tanks over a drive-through means fast, efficient grain handling for McKenna Grain Co., Kingman, Kans. Note elimination of headhouse, for economy. Capacity is 90,000 bu., handled at rate of 5,000 bu. an hour.

Columbian Modernization provided so much extra "dollar capacity" for Riverdale Grain Company's 64,000 bushel elevator that a 67% expansion of bushel capacity became necessary within one year. New Bolted Steel tanks for 43,000 bu. were added.

COLUMBIAN STEEL TANK COMPANY

P.O. Box 4048- U Kansas City, Mo.

Reg. U.S. Pat. Off.

Associate Member, Grain & Feed Dealers National Association
—Member, American Dehydrators Association.

STEEL, Master-crafted by Columbian . . . First for Lasting Strength

terprise that fits in well with European agricultural conditions. The long-run benefits of the development of a market for poultry meat must be evaluated in terms of increased imports of feedstuffs rather than poultry meat.

There is no doubt that United States oilseed crushers are in a weak competitive position because of European protectionist policies. In the future, imports of high protein concentrates from the United States will be increasing as oilseeds. This will continue until the market for oil is saturated with oil made from seeds and there is no oil export outlet.

Relative market expansion in Europe and the United States. We have described here a substantial increase in market size in north Europe. In looking at the potential imports it is also necessary to look at the relative rates of growth of the markets for high proteins in Europe and in the United States.

On every count, the market is expanding more rapidly in the United States. Population is increasing at a much faster rate. Per capita consumption of livestock products is increasing faster. The ratio of feed grains to high proteins is very much higher in the United States indicating that livestock rations are more deficient in protein in the United States than in Europe. The technology of animal feeding is advancing faster in the United States than in Europe. There is much less of a tendency to preserve the status quo of production and distribution in the United States.

In the event that protein supplies become stabilized at current levels increasing proportions will be retained in the United States because the United States market has greater expansion potential than that of Europe.

The problem of protein scarcity. A scarcity of high protein concentrates for animal feeding appears to be developing in Europe and North America. Historically oilseed cakes and meals have been byproducts of fats and oils production, primarily edible fats and oils. The relative market positions of edible fats and oils and oilseed cakes and meals are in the process of being reversed so that it appears reasonable that fats and oils will be the byproduct of high protein concentrate production.

We have described above an expanding market for high proteins in Europe and in the United States. In western Europe and the United States the per capita consumption of fats and oils is very near a maximum for food uses. The industrial usage is threatened. Soap fats are being displaced by synthetic detergents and the drying oils by differently based exterior coatings.

The high protein concentrate problem of Europe is further aggravated by the decline in high protein exports by former supply areas. Cottonseed and peanuts are available in much smaller volume than before World War II because of the increase in indigenous extraction of oil. While some of the meal is exported the volume is much below that of former times.

In the long run these European supply sources will not be regained. They were Asia and Africa and in these two areas protein is badly needed for direct human consumption and will be retained to supply home markets.

To further complicate the problem Europe is becoming increasingly dependent on the United States for supplies of oilseeds. About half of the prewar to date increase in world supplies of oils from edible vegetable oilseeds has been soybeans. And most of this increase has been in U. S. production.

Protein supplies of non-oilseed origin are decreasing in relation to requirements. As animal agriculture expands the proportion supplied by forage decreases and expansion becomes increasingly dependent on feed concentrates. Feed concentrates —grains—are much lower in protein than forage. Accordingly byproducts of animal slaughter are less able to fill the gap. There is very little tendency for fish meal production to increase.

If these two propositions are true —that Europe and North America are fat saturated and there is an expanding market for high protein concentrates—we are confronted with a difficult problem. The most important source of both is oilseed.

Several adjustments can be anticipated. First, the production of animals fats will decline. Lard and butter are very important sources of edible fats and oils—about 40% of the total. Downward adjustments in animal fat production will be slow. Lard is a byproduct of pork production. Reduction in lard production will occur only as types of hogs change. Increases in swine numbers are apt to at least offset decreases in lard production per hog. Butter is partly a byproduct of milk production and its production is very much involved with institutional arrangements of agriculture so that decreases will be slow.

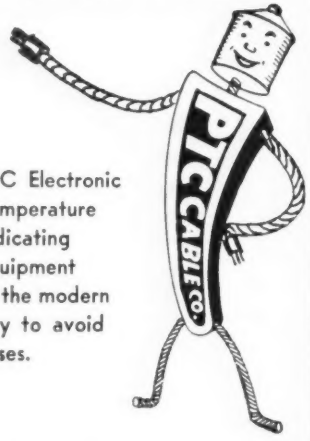
Second, fats and oils can be diverted to lower value uses. An important lower value use is soap and the current absorption of this use is threatened by synthetic detergents. A second lower value use is animal feed. Feed use of fats and oils, particularly tallow, is increasing rapidly.

Third, the cultivation of oilseeds with low oil content will increase in relation to those of high oil content. Specifically soybeans are in a much stronger competitive position than groundnuts, palm kernels, and copra. If the adjustments noted above are to take place oil will need to be cheap. The oilseed with the lowest oil content in relation to meal will hold the strongest position. Soybeans have an oil content of about 18%, groundnuts 47%, palm kernels 47%, and copra 64%. A further advantage of soybeans lies in the very high quality of the protein concentrate that can be made from them.

In this general situation of scarcity of protein and abundance of fat the protein fraction will have to carry an increasing share of the cost of production of the oilseed. High protein concentrate prices will increase in relation to commodity prices generally and in relation to prices of other feeding materials.

High protein consumption will increase most rapidly in the areas with the strongest markets. At this time, the potential expansion of the market for high proteins appears greater in the United States than in Europe. In the decade ahead the question will not be whether there is an export market for soybeans but whether the European demand is strong enough to bid supplies into export.

YOUR "INSURANCE" AGAINST SPOILAGE



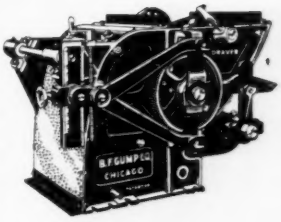
PTC Electronic Temperature Indicating Equipment — the modern way to avoid losses.

PTC CABLE CO.
200 ANCHOR BUILDING
ST. PAUL 1, MINNESOTA

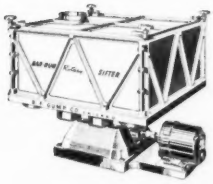
GUMP RESEARCH

has produced this line of modern mill equipment

FEEDING—Draver Feeders



Trade proved for dependability and economy, Draver Feeders accurately feed dry bulk materials to process equipment. Now available with automatic controls, and in more than 100 sizes and models, there is a Draver Feeder to handle efficiently almost any bulk feeding requirement.

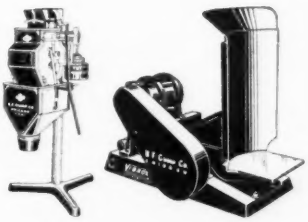


SCREENING—Bar-Nun Rotary Sifters

A clean, uniform product . . . in outstanding capacity per square foot of screen area . . . is assured when a Bar-Nun Rotary Sifter does the sizing or scalping job. Totally enclosed, sanitary, all-metal construction, vibration-free operation, and Gump-built durability are other Bar-Nun advantages. For any screening requirement . . . from cleaning or scalping of whole soybeans to a final sizing of soybean meal . . . investment in Bar-Nun efficiency will pay off in improved quality control and lower production costs.

PACKING—Edtbauer-Duplex Net Weighers Vibrox Packers

Known for accuracy and minimum maintenance, Edtbauer-Duplex Net Weighers will weigh up to 75-pound discharges of both free and non-free flowing materials. Vibrox Bag Packers densely pack up to 150-pound bags, with savings in bag expense and packing labor.



GRINDING AND CORRUGATING—New Mill Rolls

The B. F. Gump Co. has consistently maintained one of the most modern and efficient roll grinding and corrugating plants in the country. Recent further modernization of equipment, tools and methods assures precision finishes to even closer tolerances. Sharp V, saw-tooth, rounded V, Gump Special, Dawson, LePage Patent, and other corrugations are available for your specific requirements.

Also, new centrifugally cast dual metal mill rolls available in sizes from 6" x 12" to 10" x 42". Known for uniform density, hardness of surface, and depth of chill. Ground smooth or corrugated to specifications.

MODERN EQUIPMENT WITH AN OLD NAME

For more than 85 years, B. F. Gump Co. has been serving the flour, feed, and oil milling industries, matching progress in milling processes with new Gump-Engineered machine developments.

New models, constantly added to the Gump line, embody the latest engineering design, materials and controls. The name is old to the trade, but the equipment is new. Let our engineers show you how modern developments in Gump-Engineered Equipment—reflecting 85 years of experience—can help you improve quality control and cut manufacturing costs.

GUMP

B. F. GUMP CO. 1309 S. Cicero Avenue, Chicago 50, Illinois

Engineers and Manufacturers Since 1872

VIBROX PACKERS • BAR-NUN GRINDERS AND ROTARY SIFTERS • EDTBAUER-DUPLEX NET WEIGHERS
DRAVER FEEDERS AND MASTER DRIVES • DRAVER-MASTER CONTINUOUS MIXING SYSTEMS
IDEAL MILL MACHINERY • LEPAGE PATENT CORRUGATIONS • NEW MILL ROLLS AND ROLL GRINDING

Panel Discussion:

Selling U.S. Soybeans and Products in Foreign Markets

J. L. Krider

Markets in Europe for Soybean Oil

By J. L. KRIDER
Vice President, Central Soya Co., Inc.,
Fort Wayne, Ind.

ASA's 38th Meeting

WHILE my comments will deal primarily with the soybean oil portion of the picture, I will also present views on the importance of the job being done by the Soybean Council of America in certain foreign countries, the importance of American companies and businessmen accepting their fair share of the responsibility in the development of these markets, and some of my first-hand observations while participating on Italian programs early this summer in cooperation with the Soybean Council of America and the Foreign Agricultural Service of the U. S. Department of Agriculture.

During the past 10 years, the United States has been a major exporter of fats and oils, whereas she was primarily an importer of these products previously, especially prior to 1943. The relative oversupply of soybean oil in the United States in relation to present consumption, and the importance of developing expanded markets abroad for this excellent product, should be very obvious to everyone at this meeting.

After Pearl Harbor and the United States' entrance into the second World War, our supply of edible fats and oils, of which 20% were imported, was seriously threatened by shortage. The versatile soybean answer to this shortage. Now, soyproved to be Agriculture's primary bean oil is the largest single source of edible fats and oils consumed in the United States and has brought our nation into a position of becoming the largest exporter in the world's fats economy.

Fats Inelastic

The total consumption of fats and oils by Americans is relatively inelastic. This inelasticity, along with continued production increases, points up the importance of merchandising this wonderful American product—soybean oil—in other countries. Such merchandising would be a means of building a strong market for soybeans, thus enabling us to have a sufficient protein supply for our vital livestock and poultry economy. It would also provide some soybean meal for export to those nations which are in a position to buy soybean oil meal and derive important benefits for their people.

By developing broader and better markets for soybean oil, it will mean a healthier market condition for all soybean products in the United States and other countries. Most soybean processors in the United States would probably prefer to process the soybeans here and export the end products, particularly soybean oil, lecithin, and, to a lesser extent, soybean meal. To date there has been ample crushing capacity to process for export.

Furthermore, this approach would allow the soybean industry to continue marketing an economical, high-quality soybean oil meal to the feed industry for balancing grains and roughages for livestock and poultry. Since we continue to have a feed protein deficit equivalent to approximately 2½ million tons of soybean oil meal, this is further justification for taking such a position.

This is basically the pattern that has been followed during the past 15 years. It has enabled our soybean and feed industries to contribute significantly to producing more and better animal products at reasonable prices to American consumers. As a matter of fact, our large, expanding, healthy livestock and poultry industries as we see them today would not have been possible without the development of the soybean industry and the contribution that soybean oil meal has made. This key protein, soybean oil meal, provides in excess of 55% of all the supplemental proteins used in balancing grains and roughages for U. S. farm animals. It has brought a new standard of living and a new standard of eating to our people.

In spite of the fact that we have a feed protein deficit and that the major market for feed proteins is at home, I have the firm conviction that we should share some of the blessings that soybean proteins have brought to the dinner tables of America. The people of other friendly nations would also enjoy having more meat, milk, and eggs if these can be produced economically.

Therefore, I would encourage the soybean industry to develop export markets for high-quality soybean oil meal. Not only should this be a high-quality product, but where it is shipped long distances by water, I would encourage the export of high-quality 50% protein soybean oil meal.

To justify this observation, I wish to point out that we are a nation of "beef eaters" and are, therefore, in a position to let our cattle utilize the byproducts from the manufacture of 50% protein soybean oil meal —namely, soybean mill feed, hulls,

etc.—and at the same time let other countries save on the freight. In most countries there is an ample quantity of roughages and other fibrous materials which can be supplied more economically than we could supply by adding the soybean mill feed back to the 50% protein soybean oil meal to make a 44% protein product.

Many friendly nations desire to import U. S. soybeans for processing into food, feed, and industrial products. This, too, should be encouraged on a free and competitive basis. If our soybean production continues to expand at anywhere near the rate of the past 10 years, the development of these markets will build a healthier domestic economy and help bring benefits to friendly nations. This would make for a better world in which to live.

Can Compete Well

To date, U. S. soybeans and soybean oil, as well as other soybean products, have been able to compete very satisfactorily in world markets. Soybean growers, soybean processors, brokers, and everyone who has a vital stake in this industry should be aware of this and do the things that are sound for their businesses as well as their industry.

Traditionally, the entire industry has had a record of healthy teamwork in solving their problems. U. S. business and its leaders have a major responsibility in the future development of these markets. Fortunately, many leaders in the soybean industry have seen the handwriting on the wall and have elected to accept their fair share of the responsibility for working as individual companies, as well as with industry groups, to promote the development of these markets. Unfortunately, this has not been true of all. For those who may question this approach, I suggest that an open mind be kept and that consideration be given to future positive action when the opportunity arises.

In this regard, I wish to give high compliments to the leadership of the Soybean Council of America, the Foreign Agricultural Service of the U. S. Department of Agriculture, and U. S. Embassy personnel for their teamwork and aggressive approach to the development of sound solutions to expand markets for agricultural products in friendly nations. The opportunity of working briefly with them in Italy last June was, indeed, a very convincing experience. They have an excellent program that is designed to hit the target and soften up businessmen so that the opportunity is right for getting the order.

All of you should be aware that members of the Council, the Embassy, or the Department of Agriculture do not carry an order pad with them. So in many instances it is very important that U. S. businessmen should follow through by taking advantage of these opportunities for selling the products of our industry.

The Soybean Council of America is doing an outstanding job of promoting expanded markets for soybean products in Italy. They have an excellent working relationship with the U. S. Embassy and Agricultural Attache's group in Rome, as well as with the feed and food industries of Italy. Furthermore, I was very favorably impressed with the caliber of the representatives of the Soybean Council of America.

Presently, about 90% of all the soybean oil meal imported by Italian firms for use in manufactured feeds, etc., is being purchased from U. S. processors. Italy will import somewhat over 50,000 tons of soybean oil meal for use in feeds this year. Their poultry industry, particularly broiler production, is expanding rapidly; and this means expanding markets for proteins. The market for U. S. soybean oil in Italy will fluctuate according to their needs for balancing olive oil production against requirements.

In participating in various meetings at Varese, Milano, Piacenza, and Padova, Italy, I came away with the impression that Italian business firms like to do business with U. S. firms, providing we are competitive, because of a friendly relationship that exists between their nation and ours. Also, and perhaps even more important, is the fact that they like the built-in services and technical "know how" that many U. S. business firms offer with their products. This is true for soybean oil, soybean oil meal, soybean lecithin, and many other commodities sold by American business to Italian businessmen.

In conclusion, I urge that everyone in the industry give serious consideration to the development of these expanding markets and determine a positive course of action that can be followed in domestic or foreign marketing which will contribute to the health and prosperity of our expanding soybean economy.

J. W. Hayward

Function of Trade Fairs In Export Programs

By J. W. HAYWARD
Director of Nutrition, Archer-Daniels-Midland Co., Minneapolis, Minn.

MY ASSIGNMENT on the panel is relative to the value and function of trade fairs in behalf of this effort of selling soybean products abroad. And I am to give you a brief account of the livestock and poultry industry, as well as the situation on feed ingredients, especially with respect to soybean oil meal, as I have found them in countries outside of the USA.

My experience with trade fairs is limited to the one I participated in at Verona, Italy, Mar. 10-19, 1957. At this trade fair, Dr. Wade Brant, head of the poultry research section, U. S. Department of Agriculture, Beltsville, Md., and I worked together in contacting the public interested in information from the USA on breeds and breeding, management, nutrition, feeding and sanitation practices, as well as sources of chicks, hatching eggs, breeding stock for broiler production, source of supply for various ingredients, especially soybean oil meal, hormones, antibiotics, vitamin and trace mineral concentrates, and medication products for use in feeds.

ASA's 38th Meeting

We counseled with several hundred

Standard Commission Company

Brokers

Soybeans, Grain and Ingredients

Soybean and Cottonseed Products

DOMESTIC AND EXPORT

414 Cotton Exchange Bldg.
Memphis 3, Tennessee

All Telephones:
JAckson 7-1651

Ten Trunk Lines
for Better Service

Dixon Jordan J. S. Harpster
McGhee Moore Dale G. King

Italians—either as individuals or in small groups—during the 2 weeks of the Verona Fair. We also made calls at various places in Italy before and after the fair.

Remember, more than a half million people, including a great number of school children, visited the USA building during the Verona Fair. Our exhibit featured modern poultry production, poultry products, as consumed here, and feed manufacturing in the USA. We displayed most every phase of poultry production, namely, the hatching of eggs, rearing of chicks, cage layer units with hens laying eggs, breeding stock, refrigerated eviscerated broilers, roasters, fat hens and turkeys, with four rotisseries cooking poultry right before their eyes. Feed manufacturing was vividly illustrated by life-size photographic murals on the walls and ceiling. Printed literature, telling our story in Italian, was handed out to each visitor. So you see our story "reached home" to a lot of people.

Where possible, Dr. Brant and I supplied on-the-spot information from our array of printed material, or relied on our best judgment in answering hundreds of questions asked us. Some requests had to be handled by Dr. Brant or me back home and mailed to Italy. I wrote some 75 personal follow-up letters, and continue to this day to correspond with many acquaintances made in Italy last year.

Fairs Different

I was very favorably impressed with the Verona Trade Fair as a whole. These fairs are different than the ones we are accustomed to. At Verona, at least, most every manufacturer of farm equipment featured a rather elaborate exhibit. Various countries were represented with a hospitality eating place. The farmers, their wives and children visited all the exhibits, ate the lunches they brought with them and chatted enthusiastically with their friends as if they hadn't seen them for a year or more—and they probably hadn't. There was no carnival, no show girls, no red lemonade, and no ballyhoo like we see at most of our fairs.

I have no way of knowing whether our efforts improved agricultural conditions over there or whether they helped sell any of our soybean products in Italy. I do feel reasonably sure of one thing, that is the efforts of our representation in the interest of this trade fair and others held last year and this year have helped immeasurably in building good will or a feeling of better understanding between the USA and the Italians, as well as between the USA and the people of other countries on the Continent where these activities have been duplicated.

Italy and several other countries I have had the good fortune of visiting the past few years are working hard to improve their own economy and their standard of living. They are striving for one thing, to become independent in food supplies by producing as much as possible of their own meat, milk and eggs.

Many farmers, farm supervisors, teachers, Ministry of Agriculture staff members, and most of the established feed manufacturers have heard about our fantastic progress with broilers, poultry in general, swine, dairy and beef cattle. Some of these people think they should have little trouble in duplicating our accomplishments. Others are doubtful. I am doubtful. At least I think it will take many years, even with lots of help, to have these people as a whole reach our standard of producing and marketing livestock and poultry products. It is not just a matter of making our soybean oil meal available, or of acquainting these people with our practices of feed manufacturing, feed formulating, feeding, management and sanitation. Marketing is a big problem. It is not just getting the produce to market but educating these consumers to our kinds of products.

I am not sure that these people are ready, or will be ready for years, to accept chicken meat in the form of refrigerated eviscerated broilers, roasters or fat hens, and just to mention one of several whims of ours, I am not sure that they wish to duplicate our beef. Perhaps some day, but not now. Let the Germans and others tell you how their dairy-type veal and beef is preferable to ours. Farmers, and even the professors in some countries I visited, still slop pigs and get up early in the morning to cook potatoes, mangels, turnips and the like for their pigs.

There isn't any doubt in my mind that the feed business is growing in Italy and in most countries I have visited. In some of these countries, especially Germany, the feed manufacturers are severely handicapped by government regulations which insist on open formulas and the use of only those ingredients as to kind and amount approved by a regulatory body that usually knows little or nothing about the feed business—not to mention the feeding and management of livestock and poultry.

Protein a Problem

Protein of good quality is a serious problem for young poultry, pigs, lambs and calves. Sure, fish meal, meat and bone scraps are available in limited to sizable quantities in many places. So are cottonseed, peanut, linseed and sometimes local soybean oil meal. The plant-type proteins cannot be used liberally in chick and pig feeds because of their inherent deficiencies. This even applies to local soybean oil meal because of poor processing. There has been little or no attention given to the processing of proteins of any kind on the Continent, that is with respect to insuring the ultimate consumer of a quality product. In most instances the fish meal and meat meal available locally for use in these countries are overheated, with the amino acids, especially lysine, methionine and cystine, slightly to severely damaged.

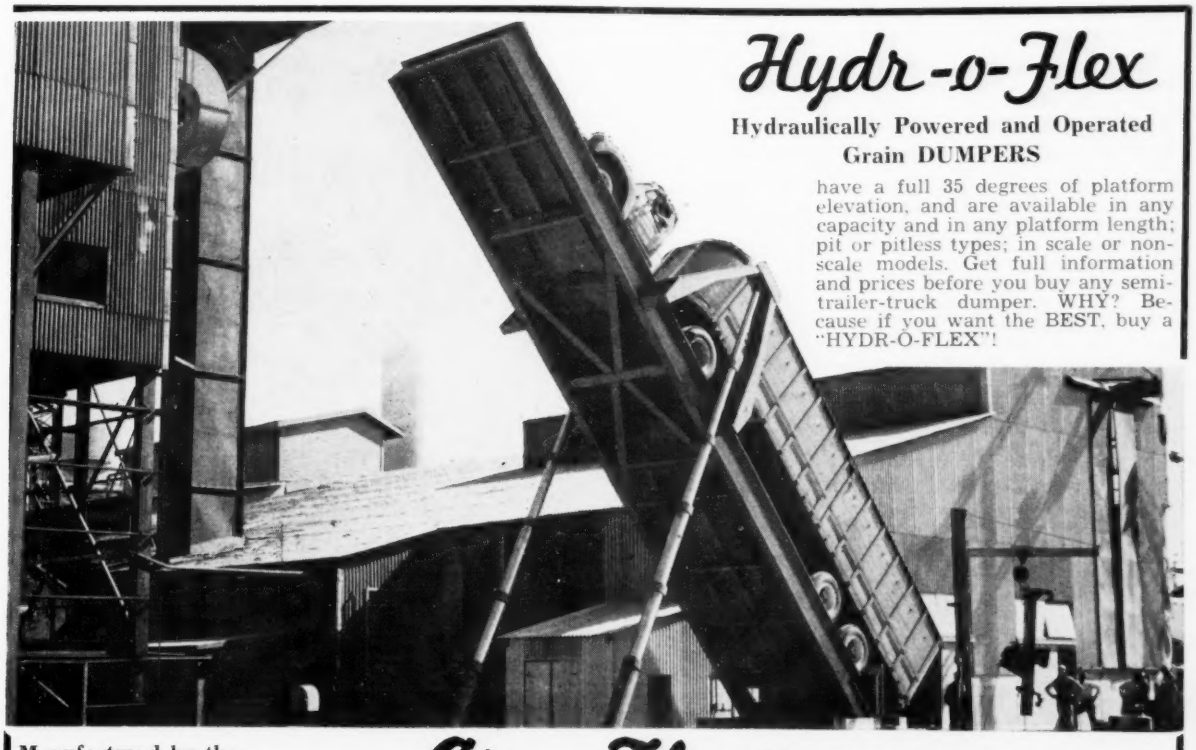
We all know that the proteins of grains and grain byproducts are definitely deficient in lysine and tryptophan for good growth of young animals and poultry. The amino acid, trytophan, is not a serious problem except when a high level of the usual grade of meat meal and bone scraps is used. Even an overprocessed fish meal and the usual run of plant-type proteins contain a sufficiency of trytophan to balance the protein of grain and grain byproducts in this respect. Lysine is the big problem. The "book values"* show an adequacy of lysine in fish meal and meat byproducts. However, in practice this is not always true since in many instances the availability of lysine is considerably reduced in fish meal and meat meal due to excessive heat in the processing of these products.

Lysine is at an appreciable level and most of it is available in a well-processed soybean oil meal. That is why USA 50% soybean oil meal or its equivalent is an indispensable ingredient for use in critical feeds for livestock and poultry, if the farmer in foreign lands intends to duplicate our results of fast growth and favorable feed efficiency for broilers, pigs, calves and lambs.

If our high quality soybean oil meal (preferably 50% soya) cannot be supplied these countries in abundance, and if soybean processors in such countries as Germany, Denmark, Holland, Belgium and Italy cannot be persuaded to produce a similar high quality product, and if the processors of fish meal and meat meal continue to ignore protein quality, then I think the only alternative is for someone to conduct an educational campaign in these countries on the importance of proper processing of all protein concentrates. More research conducted over there is needed and should help a great deal. The Fish Industries Research Institute at Aberdeenshire, Scotland, is doing some constructive work along these lines with fish meal. There is some research on protein quality being conducted at the Rowett Research Institute, and the National Institute for Research in Dairying at Shinfield, England, which is adjacent to the University of Reading at Reading. Also at the Hannah Dairy Research Institute, Kirkhill, Ayr, Scotland, and the Research Institute near Brunswick, Germany (Forschunganstalt fur Landwirtschaft, Braunschweig-Volkenrode, Germany).

More of this kind of work needs to be done in these countries and the results disseminated to the people responsible for high quality feeds over there.

*A good source of information is the "Amino Acid Handbook—Methods & Results of Protein Analysis," by Richard J. Block, Ph.D., pages 296-297. Published by Chas. C. Thomas, Springfield, Ill.



Hydr-o-Flex

Hydraulically Powered and Operated Grain DUMPERS

have a full 35 degrees of platform elevation, and are available in any capacity and in any platform length; pit or pitless types; in scale or non-scale models. Get full information and prices before you buy any semi-trailer-truck dumper. WHY? Because if you want the BEST, buy a "HYDR-O-FLEX"!

Manufactured by the "HYDR-O-FLEX" DIVISION OF Air-o-Flex EQUIPMENT CO.

3030 EAST HENNEPIN AVE. MINNEAPOLIS 14, MINN.

Panel – (Continued)

Future for Soy Products In Spain

By JAVIER DE SALAS
Director, Soybean Council of America, Inc., Madrid, Spain

Javier de Salas

ASA's 38th Meeting

I AM GOING to talk about the work that the Soybean Council has done in Spain up to now, our projects and the outlook for the future of soybean oil and other products in my country.

First of all when our office in Spain was established, a little more that a year ago, we had to face a problem of good public relations, as the people in the olive oil business were almost, I think it can be called, suspicious of our activities.

Since the beginning we have stressed the absolute need of cooperation between us and we have been successful in convincing them that more imports of soybean oil would not damage their interests but would help them. For instance more imports of oil into Spain allows the Spanish government to give more facilities for the export of olive oil which of course represents a better price for the Spanish refiner and producer. Thanks to our effort it can presently be said that the phase of misunderstanding has now passed and the best proof of this assertion is that an agreement of cooperation between the Spanish Olive Oil Syndicate and the Soybean Council of America has been signed.

Agreements have also been signed with the most important mixed feed manufacturers in Spain and with the poultry cooperatives.

Specific projects are on the way in both oil and meal; the visit to this convention of representatives of our cooperators is one of them. An oil refiners' training school will be held this fall and a nutrition seminar on the advantage of protein feeding will be held next month. A bulletin on nutrition has been printed by the Council and our Spanish cooperators.

Market research has been carried out by our office so we will be able to give advice to all of you who may come to Spain. In the oil field more and more groups are interested in using soybean oil. The paint manufacturers and the margarine manufacturers have officially requested the Spanish government during the last few months to have soybean oil allotted to them for manufacturing.

Now I am going to talk very briefly of the most interesting and, I may add, more time-consuming part of our work. I believe that the offices of the Soybean Council are also the foreign service for the world of soy. We try to help Spanish and U. S. businessmen in this field. This work is progressing nicely and the relations started through our efforts begin to bear fruit.

SOYBEAN FINANCING

WAREHOUSE RECEIPTS covering your inventory of Soybeans, Oil and Meal, *stored right on your own premises*, provide you with the best possible collateral for required financing.

Write, wire or 'phone us today for a copy of "*INVENTORY IN ACTION*", which explains how this can be done, gives valuable information on how money can be saved and business improved, without inconvenience and at very low cost.

AMERICAN EXPRESS FIELD WAREHOUSING CORP.

WILLIAM H. BANKS WAREHOUSES, INC.

Chicago, Ill. Offices: 209 S. LaSalle St.

'Phones: STate 2-0204-0205-0206

New York Offices: 65 Broadway

Phone: WHitehall 4-2000

Offices in all principal cities.

DELPHOS GRAIN AND SOYA PRODUCTS CO.

- Soybean Processors
- Terminal Elevator

Always Prompt and Courteous Service

TWX 653

Delphos, Ohio - Phone 5261

Lima, Ohio - CA 99896

Let us look now at the outlook of soybean and soybean oil products in Spain. The market for soybean oil in Spain will last, as the fats and oils deficit can be considered to average 100,000 to 200,000 tons a year and is on the increase. It will last for many years.

In view of this deficit the Soybean Council, together with our cooperators, is working to improve quality, as we want soybean oil to have a good name. We want to increase and expand consumption in new fields.

In Spain where the oil market is rigidly controlled by government regulations we are trying to have these regulations changed to accomplish this purpose. All this work is being done through Spanish trade groups as only through recognizing their interests and reconciling them with ours can we carry out our work.

I think that we can be sure that Spain is an increasing market for U. S. soybean oil and other soybean products. The Spanish economy is in a period of transition. We are having growing pains, but I believe that in the future our foreign currency position will be strengthened and we will be able to buy more and more soybean products that we need so badly.

Activities of Soybean Council In Italy

By DOMINIC MARCELLO
Director General for Italy, Soybean Council of America, Inc., Rome, Italy

I WILL TRY TO review for you the market development activities of the Soybean Council in Italy.

Our first task was to ascertain whether there is a market for soybean products in Italy. As a result of studies and other research activities it was learned that there is a sizable market in Italy for U. S. soybean oil meal, oil and other soybean products. However, there are various competing sources of protein that we must be prepared to face. Among them are Russia and Yugoslavia in addition to western suppliers. Energetic efforts must be made to meet this competition both in price and quality.

ASA's 38th Meeting

It was found that the production of olive oil in Italy is not sufficient to meet domestic needs in an average year and in years of short crop it falls far short of meeting those needs. Italian requirements of vegetable oils are now approximately 500,000 metric tons per year. These requirements are met with 250,000 metric tons of domestic olive oil and 50,000 tons of oil produced from domestic seeds which in reality are byproducts from other commodities. This production is stable except for small increases that may be gained if improvements are attained in the extraction process. Therefore an average of 200,000 tons of vegetable oil which could be soybean oil must be procured from other sources.

Dominic Marcello

It was further found that there is great interest in expanding the livestock economy of Italy and especially in the development of a poultry industry patterned after that of the United States. Such an industry will require increasing quantities of high-quality protein for economic production, and soybean oil meal in its various forms is the logical source of that protein.

For many years it has been generally acknowledged that Italy's oft-declared long-range agricultural policy of shifting from marginal wheat production to livestock and poultry would result in an improvement in Italy's farm income and relieve the Italian government of a substantial and increasing financial burden of grain subsidies. Although to date no such organized shift has materialized, there has been an increase in livestock production and a substantial increase in broiler production. This was due largely to the acceptance and use of balanced feeds in which soybean oil meal played a great part. Imports of soybean oil meal from the United States have increased significantly from 7,700 metric tons in 1955 to over 46,000 metric tons in 1957, and from reports so far this year there is every indication of a further substantial increase. We expect that with dynamic promotion this figure could reasonably be expected to reach 100,000 tons within the next 2 years.

Shift to Livestock

There is reason to believe that the long-awaited shift from wheat to livestock production may soon begin to take place. Italian government officials are preoccupied about the role Italian agriculture will play in the Common Market Area in the face of keen competition from other member countries. It is felt that because of this urgency the government will now place greater emphasis on the livestock and poultry program. Otherwise, the Italian farmer will lose further ground in supplying the local market with meat, poultry and eggs.

In any program for expansion of livestock and poultry production, Italy must depend on additional imports of feed grains and especially protein feeds. These programs must be closely followed and encouraged. As they become realities all necessary steps must be taken to assure the filling of the needs, insofar as possible with U. S. products.

With the approval and consent of FAS and the Soybean Council, we entered into the second phase. We set up an office and employed the necessary staff. Administrative support arrangements were made with the American Embassy and we were in business.

Emphasis was then put on obtaining Italian group participation in our promotional activities. Exploratory work had indicated that there were two organizations in Italy with whom cooperating agreements were desirable and essential. Federconsorzii (the Italian Federation of Agricultural Consortium), the most important agricultural cooperative in Italy, has representatives and agricultural installations in every province of Italy. This organization produced approximately 30% of all mixed feed produced in Italy in 1957.

The other is the National Association of Livestock Feed Producers whose 60 members produced approximately 60% of the mixed feed produced in Italy last year. The members of this organization and its affiliates produced over 75% of all the Italian seed oil produced in 1957

as well as 100% of the margarine produced.

Our sights were set. A program of operations was prepared and approved by the Soybean Council and FAS on Apr. 15, 1958. The program includes the following:

1—Engage in an information and public relations program which shall include preparation, publication and distribution of a technical handbook relating to soybeans and soybean products and their uses; preparation, publication and distribution of a periodic news bulletin; preparation and distribution of news items, feature and technical articles, photos, films, etc., through appropriate channels; preparation, publication and distribution of pamphlets and leaflets both of a technical nature and for mass use; arrange and participate in conferences, symposiums and contests; and engage in such other public relations activities as day-to-day operations warrant.

2—Conduct feed demonstrations by establishing two or more experimental centers for poultry and livestock, as well as tests demonstrating the value of using soybean products for human consumption.

3—Participate in trade fairs, such as Varese and Bari, and seminars held in conjunction therewith.

Oil, Feed Teams

4—Arrange visits of representatives of the Italian feed and oil industries to the USA.

5—Preparation, publication and distribution of a digest of Italian laws, regulations and policies affecting the purchase, importation, distribution and use of soybeans and soybean products.

6—Arrange with a suitable Italian institute or laboratory for conducting tests, investigating and experimenting on the use of soybean products, as well as examining such products which are imported into Italy. Tests will include methods of utilizing soy flour in the manufacture of pasta (macaroni, spaghetti, etc.), bread and biscuits and determining consumer acceptance.

7—Develop standards and controls of quality, purity and uniformity of soybean products.

8—Collect and disseminate market news and prices of soybean products.

The following activities were implemented:

Agreements were negotiated, drafted and finalized with the two organizations. We now have cooperating with us groups that produce over 90% of the mixed feed, 75% of the vegetable oil and 100% of the margarine. The cost of implementing the program will be equally shared.

A mixed feed conference was held in cooperation with one of our cooperators (Assalzoo). The Council and FAS furnished two technicians, Dr. Damon Catron of Iowa State College and Dr. Max Jeter of the Indiana Farm Bureau Cooperative Association. Papers given by these two technical men were published in several publications.

We participated in the Varese Fair exhibit. This was also attended by Dr. Jake L. Krider, Dr. Charles A. Denton of Beltsville, Md., Prof. Steven King of Purdue University, and William Bridges of the Producers Grain Corp. of Amarillo, Tex.

Seminars were held in cooperation with Federconsorzii, in which our technicians participated in Milan and Padova.

We are cooperating with FAS and the Agricultural Attache's office in the forthcoming Bari Fair exhibit Sept. 6-21. Dr. Krider and Dr. J. W. Hayward of Archer-Daniels-Midland Co. will attend.

We are making arrangements to conduct feed demonstrations, by establishing in cooperation with our cooperators two experimental centers for poultry and livestock.

We have practically ready for publication a pamphlet containing a digest of Italian laws, regulations and policies affecting the purchase, importation, distribution and use of soybeans and soybean products.

Flour has been supplied to Dr. Visco at the Research Laboratories at the University of Rome for test purposes.

Prices and quotations are obtained daily on soybeans and soybean products and posted on a large quotation board on the wall of our office entrance hall, where it can be viewed by Italian trade groups and other interested persons.

There is much more that I could add but time does not permit. In conclusion, I would like to say that the mixed-feed business in Italy is a vibrating, pulsating industry and that there is an ever-increasing demand for U. S. soybean products. We are also ready, willing and able to fill the oil-requirement gap.

What Must Be Done to Hold the Japanese Market for U. S. Soybeans

By SHIZUKA HAYASHI

Managing Director, Japanese American Soybean Institute

THERE ARE three basic and important factors in selling. First is quality, second price, and third service.

I don't think there is any need for argument in this respect. It is realized by all. Particularly in selling American soybeans in Japan where U. S. soybeans face keen competition from Chinese soybeans, quality and price factors cannot be neglected. You will lose all your business if you neglect these two factors.

ASA's 38th Meeting

Through your cooperation and efforts I am glad we have, to a great extent, overcome the quality question. Unless you were at the spot you could hardly realize the innumerable complaints made by your Japanese buyers, the processors, and especially the food manufacturers. Even now when we go out for PR (public relations) campaigns the first complaint we receive is against foreign material. As I said, we have largely overcome this problem, but it is still not completely overcome. Chinese soybeans, until the disruption of trade between Japan and Red China, had been received generally in good condition. They contained only a small percentage of foreign material; besides, the size was more uniform and broken beans were fewer than in U. S. soybeans. It is true that beans imported from China last year and the early part of this year were not as good as before.

Price

You want to sell at a high price and Japan wants to buy at a low price. Price is so important, sometimes a deciding factor, that very often it overrides the quality factor. The first inducement is price. This is why very often there is talk of price subsidy or rebate on import of U. S. soybeans. A certain large processor and importer once sug-

gested that the market development funds be better given to those who import U. S. soybeans as an encouragement or a rebate rather than to be paid for carrying out a PR program.

Service

It goes without saying that in selling commodities that compete with others price and quality factors are not everything. When price and quality are equal to those of competitors, the chances are equal, but in this case when service is added then the balance is in favor of price and quality plus service.

In a buyer's market it is desirable that the seller offer any facility and advantage to put buyers in a state where he feels safe and in a frame of mind to buy. Supply buyers with all possible information that will help in making up their minds to buy or aid them in buying. From this viewpoint it will be helpful if information from the states in regard to U. S. soybeans, covering crop prospects, supply and demand, figures on domestic consumption and export and other data like the shipping situation, etc., be regularly sent to Japan. The problem of an Export-Import Bank loan to Japanese buyers of soybeans is also an important factor in helping buyers. The problem of delay in loading soybeans experienced in New Orleans should also be seriously considered.

Since Communist China's boycott on the trade with Japan in May there have been no soybean arrivals from China. Up until the break of Japan-China trade a total of 265,000 tons of Japanese soybeans had been purchased by various importers in anticipation of its being approved by the government. In fact the government desired to import about 300,000 tons on a barter basis. If Red China had not boycotted trade with Japan we don't know what would have happened. The first half-year budget, April to September, had already been announced which covers 335,000 metric tons of soybeans. Fortunately this will all be U. S. soybeans. The second-half fiscal year, October to March 1959, is not yet announced. If trade between Japan and China is in the meantime resumed the chance will be that the share of U. S. soybeans will be cut.

Sooner or later we again have to face competition from Chinese soybeans. Let's not be afraid to face it. I believe we can work out plans to put U. S. soybeans in a position where there will be no room for Chinese beans to compete. As a means to achieve this I suggest the following:

1—Continue producing better quality beans high in oil and protein content and reduce the percentage of broken beans and foreign material.

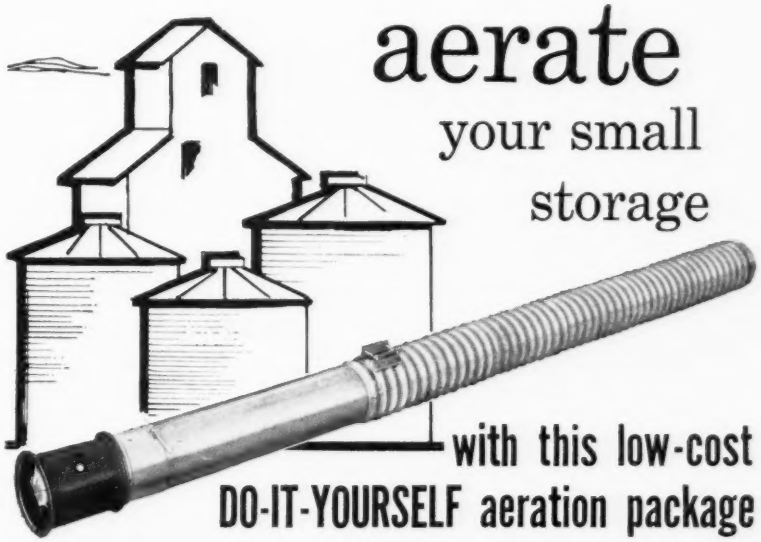
2—Set up a new practice to sell according to varieties. Select a few varieties most suitable for Japanese food manufacturers.

3—Study the problem of keeping soybeans in stock in Japan. This is now under consideration in Japan. Operation on a joint account may be considered.

Almost Half Indiana Producers Fertilize

IN REPLY to a question regarding the use of commercial fertilizer in a survey of Indiana by the Indiana Crop Reporting Service, 44% of the growers indicated they fertilized some soybeans in 1958, the average rate being 144 pounds per acre of fertilizer.

The inoculation of seed was reported by 63% of growers, while only 12% reported the planting of treated seed.



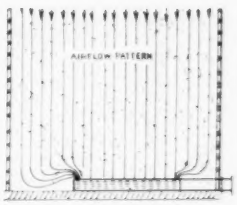
aerate your small storage with this low-cost DO-IT-YOURSELF aeration package

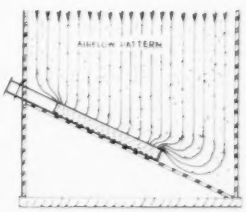
Now you can have top quality Rolfes aeration, specifically designed for bins from 3,300 to 10,000 bushels. The new Rolfes POWERATOR offers you the same outstanding performance for small storage as the large Rolfes systems that safeguard many of the country's largest elevators.

You get genuine Rolfes aeration at a new low price . . . thanks to a design so simple and efficient that you can make the entire installation yourself.

The engineering's built right in to save you time and money. We supply the Rolfes Aeration know-how in this convenient package system . . . you just set it up, using the simple but complete instructions that are furnished.

Get the facts on this new POWERATOR . . . contact your Rolfes representative or mail the attached coupon. We'll send you the complete story on this amazing new advance in aeration.





The POWERATOR gives you perfect aeration in either flat or hopper-bottomed bins. Available in 8" duct for your smaller storage, 12" duct for bins up to 10,000 bushels. Fans for each size are removable, portable, and completely weather-tight. Fan operates on either 110 or 220 volts.

Rolfes
ROLFES
GRAIN AERATION
COMPANIES
BOONE IOWA

ROLFES GRAIN AERATION COMPANIES
BOONE, IOWA

Gentlemen:
Rush me complete information, including new low prices, on the POWERATOR do-it-yourself aeration package.

NAME_____

FIRM_____

TOWN_____ STATE_____

Max Myers

Export Programs for Soybeans

The future economic health of the soybean industry will be affected by the size and character of the export market. It is a job for both USDA and industry.

By DR. MAX MYERS
Administrator, Foreign Agricultural Service

WE ARE HERE to discuss soybeans. As we do so, we should keep in mind that there are other important agricultural export crops, that other trade groups also are active, and that Foreign Agricultural Service has many other activities and projects. We in agriculture are only part of the interdependent national economy. We in the United States are only part of an increasingly interdependent world economy. To realize this situation helps us to see our problems in perspective. And we are speaking of soybeans.

The expansion in soybeans has been a terrific boon to agriculture. It's now a billion-dollar crop. It also has been a boon to allied industries such as crushing and feed manufacture, both of which have grown along with the expansion in soybeans. In fact it appears that you in the soybean crushing industry have had one of the best years ever, a new record crush and reasonably good processing margins. You soybean producers too have had a good year. A new record production has moved to market in an orderly fashion. However, unlike conditions of the recent past, prices have tended near support levels as a result of the heavy production and good oilseed crops in most other competing areas of the world.

ASA's 38th Meeting

Soybean oil prices have been relatively stable throughout the season although new lows for the current crop year have been registered in recent months. These lower prices are understandable in the face of our own supplies. However, we have had strong demand for soybean meal, particularly in recent months. This has kept crushing going at a record rate and has resulted in maximum exports of oil.

At the end of the current crop season, stocks of soybeans in all positions will probably be in the neighborhood of 20-25 million bushels. If so, this will represent a record carryover. However, the Department does not consider it burdensome.

It is expected that lard production, which has been at a low level this year, will probably increase substantially next season. Based on the recent crop report, cotton and cottonseed production will exceed that of last year, even though acreage is down considerably. Also, as you well know, soybean production is currently estimated at more than 50 million bushels above last year's record. Thus it appears that next season we will have another large surplus of fats, oils, and oilseeds available for export. If so, what is to be done? I don't know all the answers—no one does—but here are some of the things that we can keep working on.

Dollar Markets

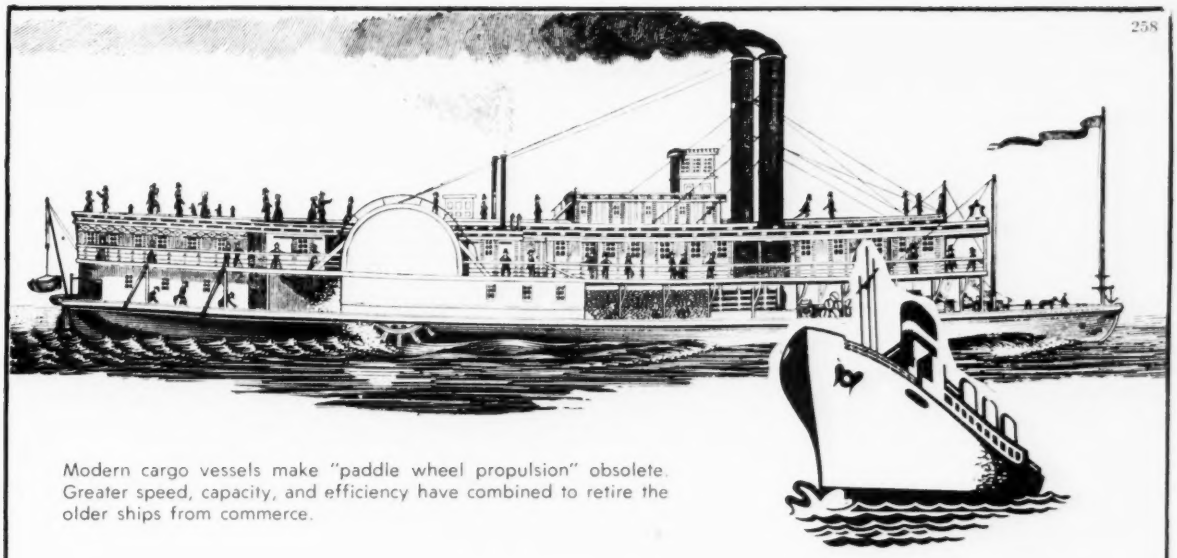
The first, of course, is to expand export dollar markets. This type of expansion isn't easy. It means that we shall have to be competitive in the market place and in addition we must do more buying ourselves if others are to have the dollars to buy our goods.

This season we are witnessing a drop of about 225 million pounds in dollar exports of cottonseed and soybean oils. Our lard prices have remained well above world market levels and as a result exports to such established customers as the United Kingdom and Germany also have declined. Cottonseed oil exports to countries like Germany have declined as a result of peanut oil being readily available at lower prices. Soybean exports have been more favorable. They are currently running at about 3 million bushels above last year's record rate and there is good reason to believe that another new export record will be set.

As the mixed feed industries of other countries expand and oil needs increase, I think that our export markets for soybeans for dollars will likewise continue to increase. However, in order to insure this continued growth, we must work through our research organizations, farm groups, extension services, and others to continually improve our products and the world's acceptance and demand for them. This means that we should strive to produce the kind of beans which many of our customers want. We must try to eliminate morning-glory seeds, corn, weed seeds, and other foreign materials from our product. We must continually be on the alert to change grading or trading practices if through such measures our export potential can be expanded.

Now, from what I have said regarding soybeans you might conclude that we are interested in promoting soybean sales without regard to product sales in which you processors are most vitally interested. This is not the case. We are equally interested in selling the products of soybeans as the soybeans themselves. Above all, though, we are interested in selling what our customers want. In countries which have established crushing industries and which have a need for soybean products, this will generally be soybeans. Their duty structure favors the import of oilseeds. On the other hand, there are other countries which will buy our oilseed products, so long as they are competitively priced. Our sales of cottonseed oil for dollars are a good example—but, fortunately or unfortunately, depending on your point of view, our cottonseed oil this year has been too high to effectively compete in world markets with cheaper peanut oil.

Another way to improve our foreign market potential is through market promotion and development. This, I am happy to know, is being actively done in cooperation with



Modern cargo vessels make "paddle wheel propulsion" obsolete. Greater speed, capacity, and efficiency have combined to retire the older ships from commerce.

Grain Driers, Too, Become Obsolete!

A 10-year old (or older) grain drier raises some important questions . . .

- Are you turning out grain that will not "pick up moisture" in shipment?
- Are your operating costs more than your competitor's?
- Is your grain odor free and does it have a bright, natural appearance?
- Is dust and cleaning a problem to your own and surrounding plants?

Aeroglide® DRIERS

MAKE OLDER DRIERS OBSOLETE

Grain drying is an exacting process — subject to fundamental scientific factors and basic physical laws. Aeroglide engineers have designed a drier to meet strict requirements of today, plus expanded demands of the years ahead — a drier that doesn't cost . . . it pays . . . in increased capacity, lower fuel cost, higher quality product.

Comprehension of ambient temperature, vaporization, optimum air speeds and volumes, heat transfer rate and material agitation have enabled Aeroglide engineers to produce a superior grain drier. If you need a new drier, you are already paying for it.

A NEW 23-page illustrated booklet tells the AEROGLIDE STORY — sent on request without obligation — write, wire, or phone today.

® Reg. U. S. Pat. Off.

Aeroglide Corporation

Phone TEmple 2-6422 - Cable: AEROGLIDE

510 Glenwood Ave. - Raleigh, North Carolina

GAS, OIL AND LP GAS FIRED GRAIN DRIERS WITH 200 TO 5,000 BU. PER HR. CAPACITY FOR DRYING CORN, SOYBEANS, RICE, WHEAT, BARLEY, MILO, LUPINE, BUCKWHEAT, PEANUTS, COFFEE, ETC.

The soybean markets may not grow so rapidly from here on.

the U. S. government by both the American Soybean Association and the Soybean Council of America. We are actively engaged in promotion and development activities in Spain, Italy, and Japan, and plans are being developed for programs in still other countries where market expansion appears feasible.

I am glad to see oil and feed teams here from both Spain and Italy, and representatives of other countries as well. I am hopeful that through such visits they will obtain ideas which will prove useful in the further expansion of oil and feed markets in their own countries. I expect that through their visits we will obtain a better understanding of some of the problems of international trade and that through this exchange of ideas we can improve our programs to our mutual advantage.

Promotion Going Well

From what I have learned during my short time in FAS, I understand that the work of market promotion and development for soybeans and soybean products is going very well. This is not to say that there aren't some problems. In some countries, Japan for example, soybean imports are limited by quotas. The United States, too, has quotas on some products, some of which work to the disadvantage of Japanese exports in the same way that Japanese quotas and controls work to the disadvantage of U. S. exports. The complete answer to problems such as this is not clear. I do believe, though, that a partial answer lies in the continuation of the Reciprocal Trade Agreements Program. For it is through this and other means of cooperation with friendly countries that we will be able to reduce some of the existing barriers to expanded trade. After all, people in other countries want to produce, just as you and I. They also want to buy—to buy more and better food, clothing, and all sorts of goods. But they can't do one without the other.

Now I have spoken at some length here without once saying anything about Public Law 480, a subject in which I am sure you are interested. I think it is perfectly proper, though, to hold a discussion of P. L. 480 until last in a talk of this type. It is supposed to take over where normal marketings for dollars fail. And it has proven very useful and effective in doing just that.

Through P. L. 480 we have managed to move about $4 billion worth of surplus agricultural commodities into consumption channels with a minimum effect on established markets. With the funds generated through these sales we have managed to do many worthwhile things. We have met some of our obligations in other countries, have engaged in market promotion and development, and above all we have contributed to the economic development of the importing country.

This latter activity is important, for the best markets of the world lie in those countries which are highly developed and enjoy a good standard of living—not in underdeveloped countries. Certainly some of the lesser-developed countries can take our agricultural surpluses; they could even take a host of other items which we consider as everyday essentials. But they can never become established markets unless their own economies are expanded and strengthened. P. L. 480 is helping to do just that.

In the field of edible oil exports, P. L. 480 activities have been significant. During the 1955-56 season, which was the first full year of operations, exports of cottonseed and soybean oils under P. L. 480 totaled 570 million pounds and represented just under 50% of the year's total exports. In 1956-57 they amounted to 550 million pounds, about 45% of total exports. This season they are expected to be in the neighborhood of 690 million pounds and will probably constitute over 60% of the year's total. This is both good and bad. It is good from the standpoint that we have been able to move such a large portion of our soybean surplus into consumption channels. It is not so good from the standpoint that the program now constitutes the major outlet for our exportable surplus of vegetable oils.

It is still too early to appraise accurately our export prospects for the coming season, either for dollars or under P. L. 480. However, as you know, the bulk of P. L. 480 activity in the past has been with countries in the Mediterranean area. Current reports indicate that a normal olive crop can probably be expected in this area this fall. Italy will probably stockpile most of the approximately 33,000 tons of oil which she recently purchased under this year's Title I program and may not be a customer immediately.

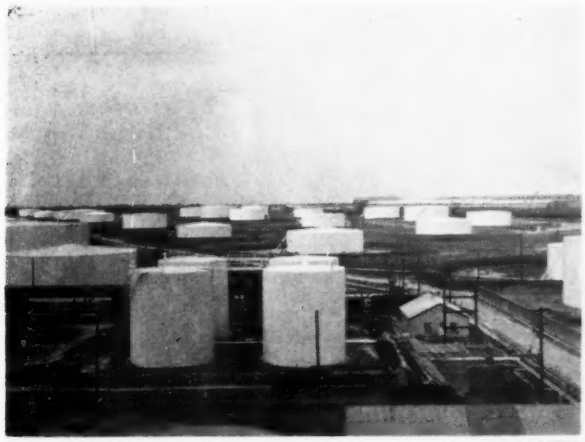
You will recall that last year at this time Spain, our largest single customer for soybean oil, was not expected to need much oil. Yet exports to Spain this year will add to a surprisingly large total. Unless the Spanish olive crop is unusually large, we expect that shipments in the next season will continue to be substantial.

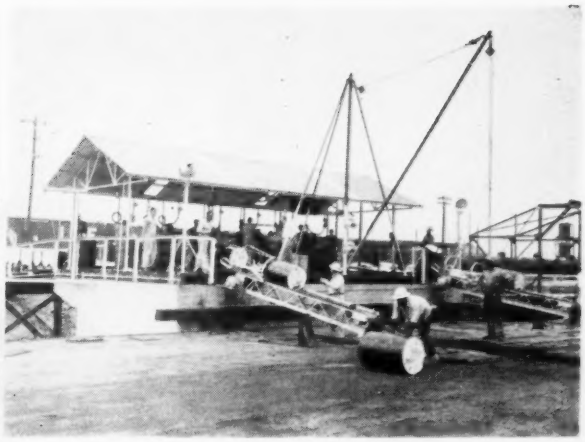
Turkey is another market for our oils under Title I. Although we do not know too much yet about Turkey's crop prospects, it is still reasonable to expect that her needs for imported vegetable oils will continue to grow. However, in the year ahead they may not reach this season's level because Turkey had a poor olive crop and poor crops of cotton and sunflower as well.

Most of you have heard at one time or another about the low per-capita oil consumption of countries in the Far East, particularly India, and have speculated on P. L. 480 oil prospects in that area. Perhaps some day this area of the world will offer an outlet for some of our excess production of fats and oils and oilseeds. At the moment, however, no immediate large-scale expansion in this area is indicated. India has an established oilseed production and processing industry, it still has large amounts of cottonseed which are being fed directly to livestock without first being crushed. It sometimes exports edible oils, particularly peanut oil, and has recently reduced or eliminated export duties on many oils. Notwithstanding these situations, it may be that under certain conditions India might be interested in importing vegetable oils. We shall continue to explore the possibilities.

Small amounts of oil are being put into Pakistan under P. L. 480—more may be needed but for the moment the rate is not great. Also, this year for the first time, a small amount of oil was included in our program with Burma.

In the long run we in the Department think that prospects for expanded exports of oilseeds and oilseed products are good. However, from here on the rate of growth may not be as rapid as during the past decade. The future economic health of the soybean industry will be affected by the size and character of the export market. We in the U. S. Department of Agriculture, in cooperation with you in the industry, have a job to do in expanding this market. We are working at that job.





- *STORAGE*
- *BLENDING*
- *DRUMMING*
- *DISTRIBUTION*

HESS
TERMINAL CORP.
Bulk Liquids

●

HOUSTON, TEXAS NEW ORLEANS, LA.

Address Inquiries To:

P. O. Box 52 – Galena Park, Texas

Telephone – Houston – GLendale 3-7195

Geo. A. Parks

The World Fats and Oils Supply Situation

World fats and oils production in 1959 will set all-time record with most of increase coming from U. S.

By GEORGE A. PARKS
Deputy Assistant Administrator for Market Development, Foreign Agricultural Service

WORLD FATS and oils production during the past several years has been trending upward at a rate of over 750,000 short tons a year. This is a little more than twice the quantity needed to provide for population increases alone. Of course, we know that in some parts of the world human consumption of fats has been rising. As a result, the expanded production, amounting to between 3% and 4% annually since 1950, has been absorbed.

ASA's 38th Meeting

In 1958, world production was not materially different from that of 1957. Likewise, world exports in 1958 may be about the same or possibly below those of 1957. No doubt declining prices which have prevailed this year for fats and oils, have encouraged importing countries to delay purchases and reduce stock. As far as we know, it has not resulted in any reduction in consumption. There have been some relatively small stock buildups in exporting countries such as our own.

It is still too early to forecast 1959 world crops. However, based on present indications, world production of fats and oils in 1959, which takes into account our fall-harvested 1958 crops, will set an alltime record. We would not be surprised to see 1959 world production exceed 1958 by over a million short tons, oil equivalent basis. Over half of this increase would be in the United States. If such an expansion materializes, it would amount to approximately a 5% jump over 1958.

Broken down into the major groups, we estimate that over half of the expected increase would come in the edible vegetable oils category which includes such oils as cottonseed, peanut, soybean, sunflower, olive and rapeseed oils. About a fourth of the expected increase will be in the palm oils group—mainly because of an expected increase in coconut oil from this year's low level. Larger output of industrial oil and animal fats will account for the balance. Aside from the expected increases in the United States, which were reflected in the August crop reports, here are some of our preliminary appraisals of prospects elsewhere in the world:

Outturn of olive oil in the Mediterranean Basin countries probably will exceed last year by about 125,000 short tons. Total peanut production in West Africa may be somewhat smaller than last year's record volume, although a prospective carryover of substantial stocks from the 1957 crop in Nigeria will tend to offset any decline in production. We know little about the prospective oilseed crops in China-Manchuria, although our understanding is that the weather has been favorable to good plant growth.

Production of rapeseed in Western Europe in 1958 probably is about the same as last year. While there was a sharp decline in Sweden's crop, reports regarding the French crop have been exceptionally favorable. Japan's crop this year is reduced about 10% from last year's 315,000 tons oil equivalent. Canada's crop will set a new record, up nearly 15% from last year. The outturn of soybeans in Canada this year seems likely to approximate last year's record level of 6.5 million bushels.

The sunflower seed crop in Argentina, harvested about 4 months ago, has been officially estimated at 893,000 short tons, an increase of nearly one-fourth from the year before.

Copra production in the coming year is expected to be up by over 10% from the drought-reduced levels of 1958. Palm oil and palm kernel oil from the major producing areas of Africa, in addition to Indonesia and Malaya, are expected to be about the same as last year.

It is difficult to appraise the outlook for flaxseed inasmuch as little is known about the forthcoming crop in the Argentine where planting will not be completed until September. Nevertheless, with the more favorable price being paid to producers of flaxseed—as against the competing crop, wheat — it would seem fair to assume that there will be an increase from the 24 million bushels produced in each of the last 2 years. While it is too early to appraise the prospective flaxseed production in India, where the crop is harvested in January, it would seem unlikely that production would vary appreciably from the average in recent years. Bad weather in Canada is cutting back their prospects for flaxseed. Based on the official acreage report of Aug. 11, production in Canada will be down by several million bushels from last year.

Increase Mostly in U. S.

The total expected increase of over 1 million tons in world output in 1959 is currently estimated that between 50% and 60% will come from the United States. U. S. lard production is expected to be up by about 100,000 tons and cottonseed and soybeans will be up by an equivalent of about 335,000 tons of oil. This does not include the oil which could be produced from the carry-in of soybeans. Indicated increases in linseed and tallow will account for another approximate 175,000 tons, oil equivalent basis.

The rapid expansion in world fats and oils and oilseeds production—particularly the increase which has taken place this year, will have far-reaching effects on you soybean producers.

It will mean that the strong demand and resulting above support prices, which have prevailed so

often in the past, are now largely a thing of the past. Expansion of your markets will be at a slower rate than in previous years unless vast new markets are unfolded. Above all it means that our efforts must be redoubled to find new uses and new markets for oilseeds and oilseed products. In this connection, it should be interesting to you to know that United States-sponsored utilization research to find new uses for agricultural commodities is now getting under way in several foreign countries. These activities are being financed with local currencies acquired under P. L. 480.

As time goes on and other arrangements can be completed, these activities will be expanded. They will be a valuable addition to the research activities carried on here at home. And they represent another example of how P. L. 480 foreign currencies can be put to use to the mutual advantage of all countries concerned.

Price Competition

Despite the fact that importing countries cannot get along without sizable quantities of U. S. fats and oils, we cannot ignore price competition. This has become of increasing importance in the last few years and I think it will become even more so in the future. Nothing emphasizes this situation better than what has happened in the current marketing season during which competition from record crops of peanuts in Africa has been unusually severe.

A short cotton crop in the United States coupled with heavy exports of peanuts from Africa were reflected in price relationships between peanuts and cottonseed oil which resulted in sizable displacements of our cotton oil exports. Peanut oil usually commands a premium over cotton and soybean oils but this marketing year the price of peanut oil has dropped well below cottonseed oil.

The latest weekly quotation for British West African peanut oil in Europe is about 12¢ per pound. U. S. cotton oil has not been quoted for quite a few months now, but the latest price for cotton oil in Texas is 11½¢. Thus, it is obvious that the additional cost to put this oil in Europe would place it well above peanut oil. Also the premium for peanut oil over soybean oil in European markets has recently just about disappeared.

In recent months, we have also faced increased competition from soybeans from Communist China. These beans have sold at from $3 to $5 per ton below U. S. prices.

I know that you are all vitally interested in the prospects for moving fats, oils and oilseeds into export during the coming season. I know, too, that you are particularly interested in export prospects for oil under Title 1 of Public Law 480 (assuming, of course, that we have a continuation of this authority). Personally, I would expect our exports of soybeans to continue upward. It still appears that we will establish a new export record of about 85-90 million bushels this season.

As for oil exports under P. L. 480, there is not a great deal which can be said at this time. Dr. Myers has touched briefly on this point. However, if you will think back a year you will recall that the prospects for oil movement under P. L. 480 did not look too bright. And yet it now appears certain that exports under P. L. 480 during the 1957-58 season will establish a new high of about 700 million pounds. On the other hand, dollar sales are down significantly from a year earlier, mainly because of increased peanut oil supplies available from Africa and Argentina at favorable prices.

WE ARE PROUD . . .

TO BE A PART OF THE GROWING SOYBEAN INDUSTRY

. . . AND TO THOSE WHO ATTENDED THE ANNUAL CONVENTION WE HOPE YOU ENJOYED YOUR VISIT TO THE STATE OF IOWA.

NORTH IOWA COOPERATIVE PROCESSING ASSOCIATION

DIAL GA 3-4733 MASON CITY, IOWA

FOR LOW COST, HIGH QUALITY PROTEIN FORTIFICATION ..... GENERAL MILLS' TOASTED SOY PROTEINS!

New Toasted Soy Protein gives food producers 50% high-grade protein with 3% natural lysine. *Economical?* You bet—each 1% of Toasted Soy Protein you add costs only 1/10¢! What's more, its delicate toasted flavor is easily submerged by other ingredients.

For further details and samples, write: **OILSEEDS DIVISION** General Mills

Minneapolis 26, Minnesota

J. R. Hartley

The St. Lawrence Waterway —Its Effects on the Soybean Industry

Sees a major economic boom coming in the soybean belt, particularly along the shores of the Great Lakes.

By JOSEPH R. HARTLEY
School of Business, Indiana University, Bloomington, Ind.

THIS IS a propitious time to pull ourselves up short and examine the implications of the St. Lawrence Seaway for the soybean industry. When the work on the waterway began in 1955, the completion date of 1959 seemed so far off that the seaway was still little more than a figment of imagination in the minds of most businessmen. But like death and elections, time inexorably catches up with us and the first 4 years of construction on the seaway have rolled by with amazing rapidity. The opening date for deep draft navigation next April is only moments away for all practical purposes as far as business planning is concerned.

ASA's 38th Meeting

You have all read in the newspapers that the first week of July this year marked a major milestone in the progress of the construction work. The two American locks at Massena, N. Y., and the huge hydroelectric power dam had been at long last completed. On July 1 the temporary cofferdam that had diverted the St. Lawrence River around the site of the construction was blown up and the power and navigation pool began to fill. On Independence Day ships began to transit the new locks.

Some of the headlines were a little misleading when they hailed this event as the "opening of the St. Lawrence Seaway." While it does mean that most of the American phase of the work is complete, the Canadians are still working on four locks downstream near Montreal that will not be finished until this winter. Obviously until the last lock in the new chain is completed big lakers and oceangoing vessels will be excluded from use of the new route. But large ocean vessels will soon be steaming into the very heartland of North America and the effects of this new transportation route will begin to be felt. The completion of the seaway will be the fulfillment of a pioneer dream.

Background of the Project

In many respects the present seaway work is merely the final step in a series of projects stretching over the last hundred years to make the Great Lakes navigable for deep draft ships. All of the manmade navigation facilities represent an enormous feat of engineering with the present seaway project being the greatest of them all. Yet, our human efforts have been small relative to the total task since nature had already provided about 95% of the desired channel with the ice-age glaciers which scooped out the Great Lakes.

Unfortunately, she left four channels where the rapid descent of the water level prevented navigation. The first of these is at the Sault. The first lock to make this passable was built in mid-1800. Various locks have been built since then side by side, with each lock being bigger than the previous ones until the MacArthur lock of World War II was built to seaway dimensions.

The second barrier occurs near Detroit in the channels connecting Lake Huron and Lake Erie. Dredging and flow control facilities over the past century have gradually deepened and widened the channel. Of course, all honeymooners are familiar with the third major shipping barrier on the lakes. Canada built the first Welland Canal in 1832 to bypass Niagara Falls and has since replaced it three times with bigger locks. The final Welland project was completed in 1932 and consists of eight large locks in series, all of which were fortunately built to seaway size specifications.

The final barrier occurs in the rapids of the St. Lawrence River at various places between the mouth of Lake Ontario and Montreal. In 1903, after three decades of arduous labor, Canada completed a complicated series of 22 locks to circumvent the International Rapids of the river. Many hailed this as the St. Lawrence Seaway and it was originally intended to provide the final link with the Atlantic Ocean. However, the age of the steel ship increased vessel dimensions so drastically that these St. Lawrence canals were outmoded virtually before their completion. They are still being used but the channel is only 14 feet deep. The locks are hand operated and are so narrow and short that only vest-pocket-size ships can transit them.

Hence, Midwesterners have been gradually improving their Great Lakes ever since the settling of Indiana and Iowa. But we have been reluctant in the United States to tackle the biggest job of all for a true seaway — completion of large locks and dams to bypass the St. Lawrence rapids. The first 50 years of this century have witnessed repeated debates and incessant agitation for the development of a seaway capable of handling large oceangoing vessels. All of the Presidents have been in favor of it but Congress repeatedly rejected it until Canada announced in 1952 that she would build the seaway without our cooperation. This ultimatum had more effect on Congress than all the economic and political arguments. The bill was speedily passed in 1954.

The agricultural interests have traditionally been the most vocal group favoring work to convert the Great Lakes into an international waterway. This should be no surprise. The Great Plains are one of the most fertile agricultural territories in the world. They have always been able to meet our domestic needs for food with a large exportable surplus. However, the problem of the Midwestern farmer or grain processor who attempts to sell in the export market is clear when one thinks of the location of Des Moines in the center of our agricultural breadbasket. Des Moines is landlocked by over a thousand miles from either the Gulf or Atlantic Coast. One writer summed up this position shortly after the Civil War when he explained why the agricultural interests were so intent on a Great Lakes-Seaway project:

"It rested in part on the persistent belief that water transport was cheaper than rail and that rates by water acted as a natural regulator of railway freight charges. It resulted also from the prolonged decline in world prices and the competition from new agricultural areas, all of which stimulated the farmer's desire to cut the costs of transportation."

Certainly the farmer of 1880 was concerned about cheap transportation for corn and wheat rather than soybeans. Nevertheless, the geography has not changed and, indeed, soybeans today are more dependent on foreign markets than corn is.

To develop a clear answer to the question a fairly precise examination of shipping costs over the seaway and existing export routes must be made. A discussion of the cost and other aspects of the seaway project plus existing shipping service on the Great Lakes is the first step in such an analysis. Canada is building five of the seven locks in the upper St. Lawrence River because the river passes through Canadian territory after it leaves the International Boundary in northern New York. The United States appropriated $105 million for our two locks but we have since had to raise this to $140 million because of the inflation. Canada has suffered from rising costs also. The final cost of the new canal system will be about $440 million.

Americans should note that Canada is absorbing two-thirds of the cost. The power dam is costing both countries another $600 million but that expense will be absorbed by revenue from the sale of the power. Thus the cost of the seaway and power work tots up to about $1 billion.

As far as soybeans are concerned, it is very important to note that the first phase of the seaway to open next year will bring deep water to the western end of Lake Erie but not beyond. Congress did not provide for the upper lake phase of the project until the Blatnik Act was passed in 1956. This act provides $150 million for extension of the 27-foot seaway depths into Lake Michigan and Lake Superior. The work is mainly dredging in restricted channels at Detroit, the Straits of Mackinac, and at the Sault. It will probably not be completed until 1962 so there is a 3-year lag in providing a 27-foot seaway channel to potential soybean ports such as Chicago. The lag is important, but substantial relief will be afforded next year. At that time 21 feet will be available upstream and 25.5 feet downstream above Lake Erie.

Harbor development, both public and private, will be of considerable expense. Individual cities, such as Chicago, have public corporations to handle port development. Chicago will eventually spend over $100 million at its present port development at Lake Calumet in southern Chicago. It would not be surprising to see $400 million spent at Chicago alone for port facilities by private industry and the public over the next decade. Expenditures by the Midwest at ports is clearly going to represent a major capital investment.

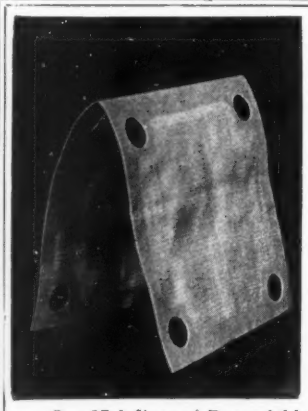
Present Traffic

The present channel in the St. Lawrence River is only 14 feet deep between Ontario and Montreal and has been a major barrier to overseas transportation. Nevertheless rising land transportation costs have sparked a boom of international trade on the Great Lakes since the war. This year there will be about 400 sailings out of the lakes as compared to 23 in 1945, despite the current recession.

The rapid growth of the direct Great Lakes-foreign commerce is amazing in view of the severe restrictions imposed on vessels and the concomitant high operating costs due to the small St. Lawrence locks. Vessels of this size can carry no more than approximately 2,900 tons of cargo in comparison with 10,000 tons on modern ocean liners. Even this exaggerates their capacity on the Great Lakes since they can only utilize about half their capacity and earning power until they reach Montreal where the depth enables them to load down to their full draft.

A substantial volume of grain, especially wheat, has moved in large lake vessels to Buffalo for transshipment to either rail points or the New York State Barge Canal. About 9 million tons of freight have been passing annually through the St. Lawrence canals. The volume of soybeans has been very low except for soybeans, oil, and meal being shipped to Canada for local consumption there.

Three factors merit special attention in a discussion of ship costs. The first is the 4-month closing of



Cable Address "Filterfab"

Filter Cloths

- Die-cut with exact precision.
- Delivered, as pictured, to any schedule.
- No shrinkage. No large roll goods inventory.
- Less Shutdown time.

Send dimensions or press plate template and material specifications for free samples and prices of Filterfab non-woven cotton or synthetic disposable overcloths. Also filter paper.

Our 27th Year of Dependable Service to Processing and Refining Industries

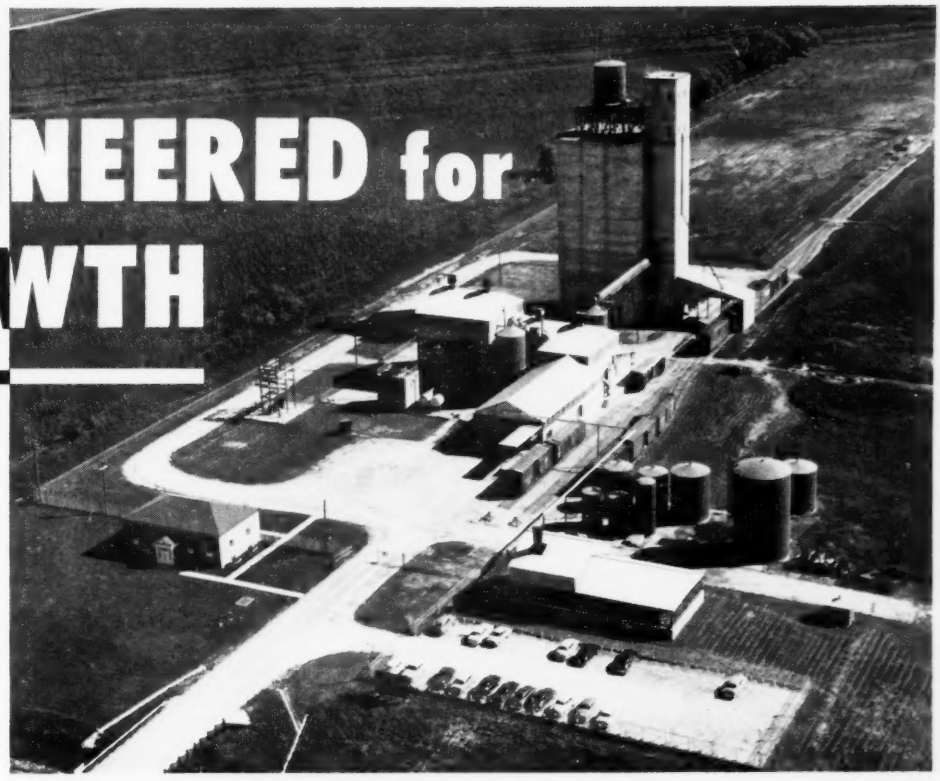
FILTER ff FABRICS

Incorporated

1520 E. 17th St. Tel.—Cherry-1-9456 Cleveland 14, Ohio

Plants: Cleveland, Ohio • Goshen, Indiana

ENGINEERED for GROWTH



Through *Specialized* Engineering

YOUR FOUR STEPS TO MORE PROFIT

1. **Feasibility Study**
   —looking to earnings potential related to investment, site evaluation, operating costs.
2. **Processing Plan**
3. **Plant Design**
4. **Construction Management**
   —coordinating procurement, construction, installation of equipment.
   —eliminating guesswork through the complete "turn-key" project.

Increases in capacity have continued easily and economically . . . . because this plant was *engineered* that way.

It is the Mason City plant of North Iowa Co-operative Processing Association. BUILDINGS . . . EQUIPMENT . . . PRODUCTION LINES . . . LOADING . . . POWER . . . STORAGE . . . all designed with an engineer's eye to the future!

When R. W. Booker & Associates turned over the key in 1954, North Iowa had a plant READY FOR STEP-BY-STEP EXPANSION with minimum added capital and little "down time."

No excess capacity on costly standby to begin with . . . . no one link in the production chain too weak to stand expansion with the rest, when that time comes.

For North Iowa's INVESTMENT IN ENGINEERING SERVICES, this has been AN EXTRA DIVIDEND. It adds to all other savings in original building and operating costs, normally expected from skilled engineering. Together, these are the extra profits earned by managers who so wisely rely on engineers for engineering, and let that experience close the gap between process design and final plans and between equipment procurement and a complete facility.

Such was NORTH IOWA'S approach in Mason City, where, in PLANT MANAGER GLENN POGELER'S OWN WORDS, engineering began "with preliminary studies . . . . included an evaluation of plant potential as well as cost estimates and construction schedules" . . . CARRIED THROUGH "THE COMPLETE CONSTRUCTION PROGRAM . . . MINDFUL OF OUR INTERESTS AT ALL TIMES" . . . and where "OUR FIRM WAS VERY MUCH PLEASED IN HAVING THE FINAL COST MATCH THE ESTIMATES."

Manager Pogeler goes beyond mere words. These Booker specialists in complete engineering and construction management for the soybean industry are back at work today on a major expansion for North Iowa.

Our engineers welcome the opportunity to explain their experience in this specialized field as it applies to your expansion or processing problem.

R. W. BOOKER & ASSOCIATES

CONSULTING ENGINEERS & CONSTRUCTION MANAGERS

215 N. 11th STREET • ST. LOUIS 1, MO.

the Great Lakes because of winter freezing of the fresh water connecting channels. No one knows precisely how much the seasonal nature of the seaway factor will discourage soybean exporters from its use. It probably will be the most important natural disadvantage of the new route.

A second problem that has been hotly debated is the capacity of the Welland Canal. Since the Welland Canal is already carrying 20 million tons per year it clearly will eventually become a bottleneck, preventing full use of the 55-million-ton annual capacity of the new seaway locks. The point should not be overemphasized, however, for there is still room for another 30 million tons of cargo in the Welland and that is a prodigious amount of freight. If the new seaway traffic exceeds the fondest dreams of the seaway enthusiasts, the Welland Canal bottleneck can be removed by building twin locks.

A final controversial issue that has almost been settled is the tolls. The entire cost of the seaway for both nations must be covered by tolls on traffic using the canals. Because of the inflated cost of construction many persons have feared that the tolls would be prohibitive. Those who believe the traffic cannot afford to use the seaway at tolls covering the construction and operating costs must admit the project was economically unsound and a fraud on American taxpayers. Actually the tolls proposed in June by the seaway corporations appear moderate and will surely not be a serious barrier to traffic.

For example, assume a large laker carrying soybeans to Montreal for transshipment to ocean tramps and returning with iron ore from Seven Islands. The proposed toll for soybeans and other bulk commodities is $.48 per short ton or 1.5¢ per bushel for soybeans. Comparison of this with the rail export rate from Chicago to Baltimore of about 20¢ per bushel certainly suggests that the tolls will not discourage shipment of soybeans via the seaway.

Probable Rates

One of the chief determinants of transportation costs is, of course, distance. Savings in distance is one of the biggest plus factors of the seaway. Most persons are surprised to find that Great Lakes ports are about the same steaming distance from Europe as Atlantic ports are. Chicago, for instance, is only 200 miles farther from Hamburg than is Baltimore. Chicago is 800 miles closer to Hamburg than is New Orleans, while Toledo is 600 miles closer than Chicago. If the rail mileage from Illinois to Baltimore or New Orleans is added, the distance advantage of the seaway becomes pronounced.

The final factor affecting ocean rates is vessel size. The seaway locks will be 800 feet long and the minimum channel depth will be 27 feet. This will acommodate a ship carrying 10,000 tons which is about the average grain-carrying ocean vessel. Some tramps out of New Orleans carry up to 14,000 short tons but they are unusual. The new channel will handle the biggest of the new super lakers which carry between 20,000 and 25,000 tons of grain. The economy of such great ships is great.

Potential rates over the new route can now be fairly accurately estimated. A modern ship costs about $3,000 per day for operation. Suppose it loses 3 additional days in the lakes compared to Baltimore loading and carries 10,000 tons of soybeans. The extra steaming cost will therefore be about $.90 per ton. Add tolls of $.48 and the result is a premium of $1.38 per ton for the Chicago-Europe rate versus the Baltimore-Europe rate. The differential might range as high as $2.00. It will be less compared to New Orleans.

New Orleans has a major distance disadvantage although it can accommodate the bigger tramp steamers and is open year round. The rates for soybeans on the lakers may be even more favorable because of their enormous capacity but the extra transshipping cost offsets a portion of their economies in comparison with tramp steamers. Apparently the seaway premium for soybeans will range from $.05 to $.10 per hundredweight above the Baltimore and ocean rate for European discharge.

How does that compare with present rail rates from soybean producing territories? From Chicago to the Gulf and Atlantic Coast the rail export rate averages over $.30 per hundredweight. Apparently the seaway will afford maximum savings of around $.15 per hundred compared to existing rail routes for export to Europe. A word of caution is necessary at this juncture. As producing points progressively nearer to New Orleans are selected, the savings decline until points in lower Missouri are reached where the New Orleans route will be more economical than the Great Lakes.

Perhaps the origin of these savings should be summarized. Water transportation will replace land movement and ships have traditionally been the most economic transport carrier in existence. The distance to Europe from soybean producers in Illinois, Iowa, and Minnesota will be reduced. Finally, low-cost foreign seamen will be moving large portions of Midwestern goods in place of relatively high-paid American labor in rail and truck companies.

Barge Rates

The above cost comparisons were based on rail rates. One cannot

SOYBEANS, OIL & MEAL

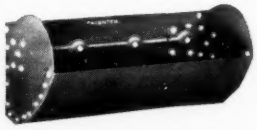
as PRICE SPECIALISTS, we welcome the opportunity to show you how you can make profitable application of our work in your organization.

25th Anniversary

INDUSTRIAL COMMODITY CORP.

122 E. 42nd Street—New York 17, N. Y.
Oxford 7-0420

A Sales Record of More Than
15 MILLION
SUPERIOR
ELEVATOR CUPS
DP-OK-CC-V



For Better Results—Longer Life—More Capacity

"Elevator Cups Is Our Business, Not A Sideline"

K. I. WILLIS CORPORATION
MOLINE, ILLINOIS

realistically discuss transportation of soybeans today without careful attention to barge movements on the inland rivers. Improved barge service and spiraling rail rates have caused a major postwar boom in river shipment of all grains. In 1945 Chicago received 4% of her soybeans by barge and 95% by rail. In 1956 the barge share had risen to 47% and the rail share had declined to 33%. Total Chicago receipts are now running about 33 million bushels per year. The increased use of barge by Illinois soybean producers is spectacular when one recognizes that the 15-mile Cal-Sag connection between the Illinois waterway and Lake Calumet in Chicago forces very severe physical limitations on the barge tows.

This points up a major bonus point for the Great Lakes route that has nothing to do with the present seaway project. The Cal-Sag bottleneck is now being removed. The work probably will be completed in 1962. The potential for barge movement of soybeans to Chicago for export is impressive. Chicago will be the leading soybean port on the lakes because of her strategic position relative to producing areas and because she will be the only port served by the inland waterways. The Cal-Sag improvement plus the seaway will place Chicago in a very favorable position to compete with New Orlean and Atlantic ports for soybeans headed toward Europe and the Middle East.

Potential Volume of Movement

For European discharge the bulk of the soybean producing areas will be able to ship most advantageously via the seaway. However, the opposite is true for the important Japanese and Formosan markets. Barge movement down the Mississippi River to New Orleans will remain the most economical route for movement to Pacific Ocean markets. Europe is the biggest consumer of American soybeans although Japan imports more than any other single nation. However, European demand seems much more dynamic than the Oriental market. Europe received only 29% of total American exports of raw beans in 1952-53 but her consumption has risen to about 60% of present exports. Nevertheless, the importance of Japan and Formosa should not be understated for they have consumed between 18 and 25 million bushels of our soybeans annually in the past 5 years.

The present structure of flows probably will continue into the future. Europe's rapid population growth keeps her as a huge food deficit area while exports to Japan are always vulnerable to potential Manchurian competition if the Chinese ever put their economic house in order. Europe can reasonably be expected to consume from 50% to 70% of our soybean exports in the post-seaway period.

In view of our foreign markets, what will be the seaway's share of soybean exports? For conservatism the average total exports in 1952-1955 have been used as a base period. The average was 38 million bushels. Assuming that Europe will receive her beans via the seaway, multiplying the 50% to 70% European destination factor gives 19 to 27 million bushels. These figures must be scaled down by 40% to allow for the present volume of beans moving in the winter months when the seaway is closed. The resultant seaway potential is 11 to 16 million bushels.

But soybeans are the most dynamic major American crop today in terms of increasing production. Our output has risen from 90 million bushels in 1939 to an estimated 535 million this crop year. They exhibited a five-fold rise in exports from 1946 to 1956. The rate of growth of exports of beans and oil has been more moderate since 1949, averaging about 5 million bushels per year.

No one knows how many soybeans

Pillsbury's BEST XXXX FEEDS

• Processors of soybeans

• Buyers of soybeans and feed grains

• Sellers of 44% Hexane Solvent Soybean Oil Meal

• Manufacturers of formula feeds

Pillsbury's BEST Livestock and Poultry Feeds are up to date, backed by the latest in nutritional research and the integrity of a company known and respected for over 87 years. Visit your local Pillsbury feed dealer for information and advice.

Official weights and grades
Prompt and Courteous Service

Phone CHapel 2-2110, or write to . . .

Pillsbury Mills, Inc.

Feed & Soy Div.

Headquarters: Clinton, Iowa

will be exported by 1965 but based on the 85 million bushels of last year a level of 115 million bushels would not be surprising. The exports of our previous base period were only one-third this potential level so the estimates of seaway volume probably should be multiplied by three. The result is a seaway potential by 1965 of 30 to 45 million bushels. It can, of course, rise or decline considerably depending on the relative importance of the Oriental market. New Orleans is going to remain a very important soybean port as long as beans are shipped westward. Because of the importance of the Japanese-Formosan market, the seaway will be relatively less important as an artery for soybean shipments than for wheat and corn exports.

Implications for Processors

The picture is mixed as far as processors are concerned. Potential transportation savings for exports of oil and other manufactured goods to Europe will be considerably greater than for bulk commodities. There will be some desirability in locating crushers at lake ports so that the foreign market can be easily tapped. On the other hand, foreign nations prefer to import raw beans and do their own processing because of the dollar shortage. From 80% to 90% of total American soybean exports now move as beans rather than oil compared to the 25% to 40% of the early postwar years. While the seaway will enable importers to buy our oil cheaper it will also improve their access to raw soybeans.

Who Will Gain?

Certainly the seaway will improve the competitive position of American crushers in the world market but it will probably aid the producers more, through somewhat higher farm prices. This contrasts with wheat and corn where there will be virtually no effect on the prices since the reduced transportation cost will merely cut the export subsidy necessary to make them competitive in the world market. America will figuratively be moved closer to Europe so the industry should take advantage of its new opportunity by promoting sales in that area.

The seaway is going to give the soybean industry a bigger stake than ever in free foreign trade and reduced tariff barriers for imports. Obviously it does not make sense to send soybeans and soybean products to other countries unless something is received in exchange. High tariffs discourage such exchange. Yet trade is the very basis of economic activity.

It can never be measured, but the soybean industry may well benefit most of all from the seaway through increased prosperity in the domestic market. The access the seaway gives the Midwest to cheap iron ore deposits in Labrador is vital to a continued healthy steel industry. The total trade generated by the new waterway will create a major economic boom in the soybean belt, particularly along the shores of the Great Lakes. The implications of such dynamic growth for increased sales of soybean oil and meal are substantial.

The St. Lawrence Seaway can benefit both the soybean growers and processors provided they take advantage of its potential. In the 1960's the seaway may be at once the greatest opportunity and the greatest challenge for a continued growth of the soybean industry—one of the healthiest and most dynamic segments of American agriculture.

LAW & COMPANY

Founded 1903

INDUSTRIAL CHEMISTS

Specializing in the Analysis of
Oil Seeds — Foods — Feeds — Fertilizers
Vitamin Assays — Purity Tests

SPECTROGRAPHIC ANALYSES

Official Chemists
National Soybean Processors Association
National Cottonseed Products Association
Southeastern Peanut Association

P. O. Box 1558

ATLANTA GEORGIA

BARROW-AGEE LABORATORIES

INCORPORATED

Analytical and Consulting Chemists and Testing Engineers

SPECIALISTS IN THE ANALYSIS OF SOYBEANS, SOYBEAN OIL AND OTHER PRODUCTS

Main Office and Laboratories

MEMPHIS, TENNESSEE

Branch Laboratories

Shreveport, Louisiana; Jackson, Greenville, and Greenwood, Mississippi; Decatur, Alabama

OFFICIAL CHEMISTS

National Soybean Processors Association
National Cottonseed Products Association
Memphis Board of Trade

ANDERSON

VEGETABLE OIL PROCESSES

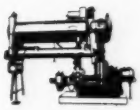
Low Residuals
High Capacities
Economical Operation

EQUIPMENT and PROCESSES for every VEGETABLE OIL BEARING MATERIAL

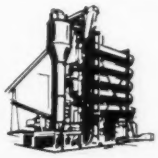
- castor beans
- copra
- corn germs
- cottonseed
- flax
- ground nuts
- mustard seed
- palm kernels
- pecans
- rape seed
- rice bran
- safflower seed
- sesame
- soybeans
- sunflower seed
- tung nuts
- and many others

ANDERSON PROCESSES

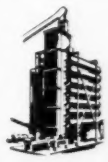
High Capacity Expellers
A high-speed mechanical Expeller screw press process



Grain Expanders
Expand corn, wheat, hominy feed into crisp, palatable, products



Exsolex Process
The patented Expeller prepress, solvent extraction method



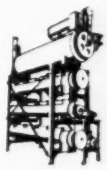
Meal Extraction
Low-cost, prepress solvent process to produce granular meals

AND VEGETABLE OIL MILLING EQUIPMENT

Dryers
High capacity removal of moisture from grains and vegetable oil seeds

Flaking and Rolling Mills
Make uniform flakes of any specified thickness

Screening Tanks
Product oil cooling systems



Cooker-Dryers
Properly condition oleagineous materials

Inventors of the World Famous Expellers®

THE V. D. ANDERSON COMPANY

division of International Basic Economy Corporation

1976 WEST 96th STREET • CLEVELAND 2, OHIO, U. S. A.

Dr. H. W. Miller

Soybeans Meeting Nutritional Needs in Undeveloped Countries

Soybeans are the one crop that offers real hope of feeding adequately the world's hungry people.

By DR. H. W. MILLER
Director, International Nutrition Research Foundation, Arlington, Calif.

IT WAS AT THE Dearborn, Mich., meeting of the American Soybean Association held Aug. 18-20, 1940, that I presented a paper on "Soybeans in Human Nutrition." In this paper I ventured the statement that while soybeans and the interest in them were chiefly valued for their oil content, I foresaw the day would come when soybeans in some form or other would become a regular item in the American diet for humans. The bean flakes and cake were discarded as fertilizer, except to a slight extent they were beginning to be used as stock feed, with a certain amount of credulity.

ASA's 38th Meeting

At that time we were buying soybeans for a penny a pound, largely as a result of the fact that the value of their high biologic protein was not fully appreciated in animal feeds. Today it is being strongly emphasized and well authenticated that the soybean is one of the world's greatest protein yielders, and protein, as its name indicates, is of prime importance in maintaining the life and nutrition of mankind. As far as our record goes throughout the past ages a protein portion constitutes the main dish on the menu.

Here in America and elsewhere in the world, we are in a protein conscious age. Every food vender and manufacturer is endeavoring to put forth on the label that the high content of his particular food is rich in protein content. Bakers and food manufacturers are clamoring all the while for basic proteins that they may incorporate in their products in ever increasing percentages. One reason for the laity's protein consciousness is their desire to slenderize.

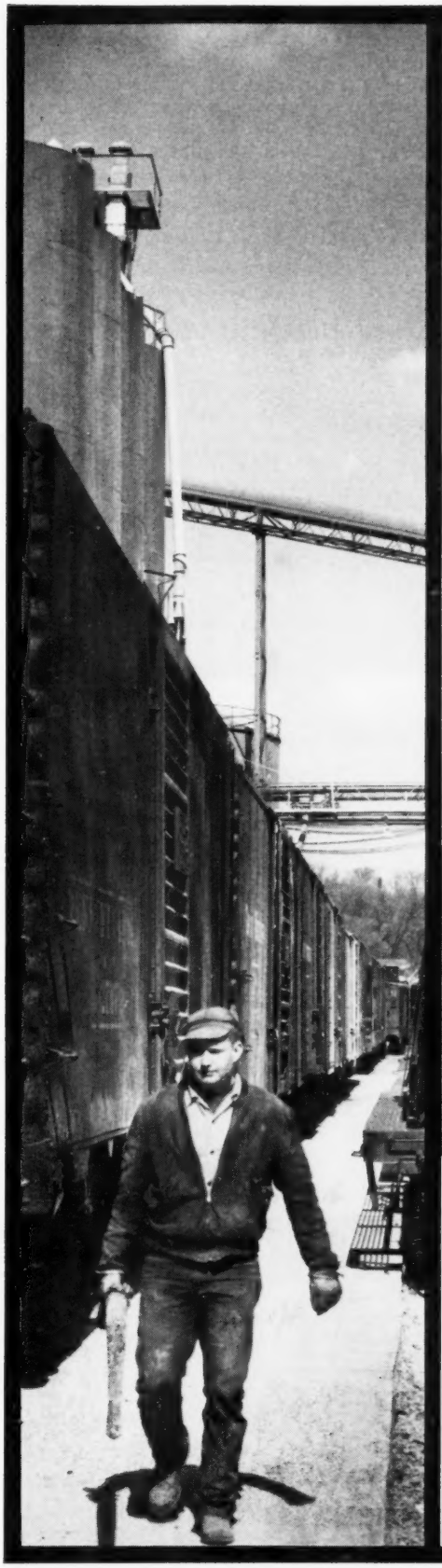
It's been my privilege to live and work as a physician in the undeveloped, heavily populated lands of Asia and Africa, and also to travel in other areas where there was a low and insufficient use of protein, and to see the prevalence of malnutrition and starvation due to its lack, in contrast to America. In some European countries, and a few of the South American states where meat and dairy products as suppliers of protein are unavailable, or form a very small amount of the dietary, there is noted a predominantly high incidence of infections, as also a low life expectancy averaging from 25-30 years. This is directly related to a low intake of high quality protein.

In these countries the most noticeable and severely injured classes are those of the newly weaned infant, the growing child, and expectant and nursing mothers. During these ages and conditions the demand for the ratio of protein in the diet is double that of the average adult man and woman. The impact of protein deficiency is more than any other factor the cause of deterioration healthwise in nations where this lack exists. With the ever-increasing world birthrate, the solving of adequate nutrition for the world's population will likely continue to be a problem. Thomas Robert Malthus made the forecast 160 years ago in his essay that "Power of population is infinitely greater than the power in the earth to produce subsistance for man."

During the past 50 years there has been an increase in agriculture production of 15%, with world population increase of 30%. Today the regions suitable for agriculture are largely occupied. The daily requirement of plant food to supply human needs is 1.8 pounds.

We are well aware of the fact that were we to distribute the produced and marketable food supply as equitably today as we possibly could to the world's mass of population, there would still exist hunger for many undernourished. But as a

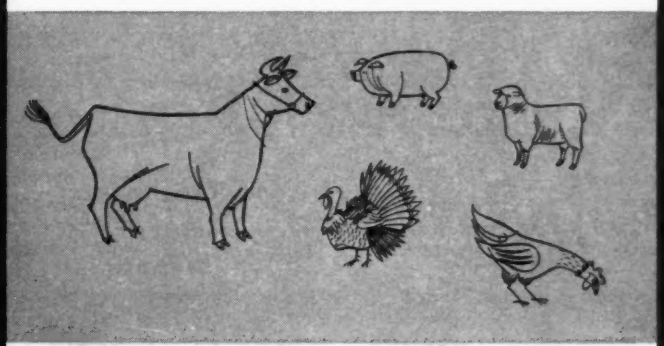
FACTORY at Jogjakarta in central Java produces a ton of soy milk every 7 hours. It is a cooperative venture between FAO, UNICEF and the Indonesian government. Construction was supervised by H. W. (Bill) Miller, son of the author of this article.



These are the cars that carry the beans
that go in the plant that makes the meal
to use in the feeds that farmers buy
to fatten their poultry and livestock

Look to Honeymead for a complete selection of soybean products.

- 44% Soybean Oil Meal
- Lecithinated Soybean Oil Meal
- Hi-energy Soybean Oil Meal
- Soybean Pellets
- Soybean Mill Feed
- Soy Flour



Honeymead

PRODUCTS COMPANY / MANKATO, MINNESOTA

Telephone: Mankato 7911 • TWX 541

Soybean processors and refiners serving agriculture and industry

result of that distribution and consequent improvement on mortality statistics of the world, as we glance at the vital statistics of the world today with increasing birthrate, we ask, can agricultural purposes through the improvement of variety yields through conquering pests keep up with this ever-increasing world population? It is estimated that Japan will double at its present birthrate its population in the next 30 years. There are 12 million babies born in India every year.

Increasing Populations

Birthrates of other Asiatic countries range about the same as Japan and India, if not in some countries even greater. And even in the United States, Dr. L. E. Barney, surgeon general of the U. S. Public Health Service, in a recent talk in Public Health states: "Our population has increased from 75 million in 1900 to 166 million today and is expected to reach 228 million within the next 15 years." (World Health Report, March and April 1958.)

For many centuries past the heavily populated areas of Asia and other densely populated island areas have had to devote their entire agricultural products to the support of human nutrition rather than divide with the animal creation. It takes 2 or more acres of land to raise a cow, if soil and moisture conditions are favorable. One-half the products of cultivated land is fed to animals in America.

E. J. DeCastro, in his book *The Geography of Hunger* comparing animal and vegetable sources of protein states, "The conversion of vegetable calories into animal tissue has long been known to be inefficient. Only 15% of vegetable calories is recovered in producing milk, 7% in eggs, and only 4% in beef." These proteins are unquestionably of high biologic value, and fortunate indeed are those countries and people that can avail themselves of ample dairy products. But plant foods must necessarily provide sustenance for the greater population of the world, and the use of the soil will naturally in this connection have to be carefully studied in order that the plants yielding the highest returns in nutritional calories of high biologic protein should be the choice of crops. Here again the soybean ranks the highest in the most supporting human nutrition per acre.

Taking this country, where our three main crops are corn, wheat and soybeans, the following tables have been worked out as approximate only, but the calculations are sufficient to reflect the actual situation. As will be noted, the yield of essential nutrition values from an acre of soybeans in producing the all important protein, is equal to 3 acres of wheat or 2 acres of corn.

While there are many parts of the world where the soil can adequately produce only wheat crops rather than soybeans—and visa versa, soybeans rather than wheat—there are two crops that are similar in their requirements, namely corn and soybeans. There is seldom any place where corn can be raised but that the soil and climatic conditions are equally well adapted for the soybean.

The crop returns in pounds per acre of soybeans and wheat are practically the same and the yield in pounds of corn is almost double the amount of either wheat or soybeans. Wheat and corn are primarily carbohydrate producers, yielding but a small amount of oil, and a very limited amount of protein. Oil-bearing seeds and starches are found in sufficient amounts in most lands. Today we pay in the markets from two to three times as much for protein as we pay for oil; and the market price of oil is from two to three times that of carbohydrate. Soybeans, therefore, are primarily a protein yielder from the standpoint of being converted into human nutrition of great economic value.

We call attention to the following tables of the comparative values of wheat, soybeans and corn as viewed from the economical nutritional yield to meet world needs.

Amount of nutrients in one pound of:

	Calories	Protein	Fat	Carbohydrate
Wheat	1498	63 gms.	10 gms.	313.7 gms.
Soybean	1503	158.3 gms.	82.2 gms.	*158 gms.
Corn	1611	38 gms.	25 gms.	334 gms.

* Only 40% of soybean carbohydrate is edible.

Pounds of protein, fat and carbohydrates per acre:

	Protein	Fat	Carbohydrate
Wheat	288 lbs.	33 lbs.	1,000 lbs.
Soybeans	525 lbs.	275 lbs.	170 lbs.
Corn	175 lbs.	137 lbs.	1,650 lbs.

Reckoning yield of 1,500 lbs. wheat, 1,500 lbs. soybeans, and 2,500 lbs. shelled corn per acre.

Cash value, pricing pure protein at $1, oil 20¢, carbohydrates 10¢ per lb:

	Protein	Fat	Carbohydrate	Total
Wheat	$ 400	$ 66	$100	$ 566
Soybean	1,050	550	17	1,617
Corn	350	274	165	789

These tables show that the cash value of food obtained from an acre of soybeans is three times that of wheat and twice that of corn. The reason we do not appreciate these values in this country is that we overproduce corn and wheat for edible purposes, but scarcely use any soybeans for human consumption. Stock raisers and animal feeders, however, prize soybean meal as having done something in animal nutrition heretofore unknown. Could we apply the same technical knowledge extending the use of soybeans to the world's congested populace, poorly nourished because of lack of protein, we would likewise enthuse over this *wonder bean* in its contribution to human welfare and health.

What makes soybeans so valuable in human nutrition, and especially in meeting the requirements of the critical ages and periods of life—namely infant nutrition following maternal nursing, and the growing child nourishment, and also for expectant and nursing mothers—is that

IOWA MILLING COMPANY

SOYBEAN PROCESSORS

Solvent Extraction

CEDAR RAPIDS, IOWA

Phone Empire 41503

it can be incorporated so well in so many food supplies. Its physical characteristics lend it well to build up adequately a milk beverage, as also its milk may be converted into many forms of tasty cheese, blended oil and cheese to make a spread. The larger percentage of the population of the earth know how to take much of their nourishment in the form of a milk beverage or that of a cheese. Soy milk has all the possibilities of byproducts of cheese, spreads, mayonnaise, margarine, etc., as does animal milk.

Other Proteins

There are other products that are being investigated and utilized to build up the protein in the diets of heavily populated, undeveloped countries, such as peanut meal, cottonseed meal and fish meal. These, unfortunately, while containing much valuable protein, do not have the physical characteristics to be taken in the form of a milk beverage, or of being built up into a cheese loaf and other products, as the soybean affords. And none possess biologic values comparable to that of well processed soya milk and soya cheese.

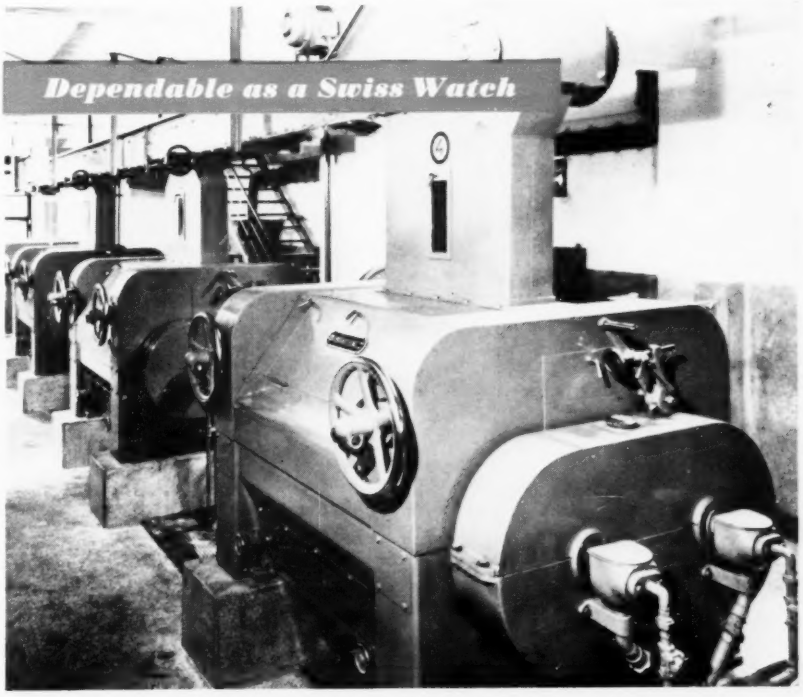
Up to this time the only agricultural product that has given any promise of being a replacement for animal milk is found in the soybean. A pound of soybeans, with some additives of oil and sugar can be made to replace a gallon of cow's milk. We are all familiar with the Chinese saying, "Soybean is the meat without bones."

A letter just received from an import and export firm in Hong Kong contains the following statement as depicting the uncertainty of dairying in the tropics and undeveloped countries:

"The Hong Kong Dairy Farm Ice & Cold Storage has suffered a loss of its herd of cattle from diseases last year. This resulted in a short supply of fresh milk. However, it has been putting out a 'Blue Seal' recomposed milk under the name of Royal which, I believe, is an American brand."

This large metropolis, whose population has doubled in the last 10 years, by now has two prosperous firms that are manufacturing soy milk, and have a daily delivery so that it can be purchased in bottled form at every beverage shop, of which there are thousands in that area. These plants are being expanded to Singapore and Bangkok, Siam.

Dr. A. G. Van Deen, head of the FAO with office at Rome, has made



Battery of Model MAO Buhler Flaking Rolls

You'll find Buhler-built oil mills throughout the world

Buhler Offers:

- Complete line of seed cleaning equipment
- Complete line of seed preparation equipment such as high capacity cracking rolls, flaking rolls, crushers, etc.
- All mechanical and pneumatic handling equipment, including conveyors for unloading cars or ships
- **BUHLER THERMO-PNEUMATIC** . . . a pneumatic conveyor system which cools the conveyed product (for example: extraction meals) before packing or storing
- Full engineering service in modernizing or designing complete mills of all kinds

For information on how BUHLER Engineers, BUHLER Experience and BUHLER Equipment can help you increase the efficiency and output of YOUR mill, call or write . . .

Buhler Mill Engineering Co.
4207 Nicollet Ave., Minneapolis, Minn. • Phone TA 5-6849

Buhler Brothers (Canada) Ltd.
24 King Street West, Toronto, Ontario • Phone EM 2-2575

a very careful survey of the possibilities of supplying the nutritive requirements of the peoples in the undeveloped areas that are densely populated. And the FAO in connection with UNICEF has sponsored the installation of a large soybean milk plant in Indonesia at Jogjakarta. It states the reasons given for envisioning a worldwide spread of such plants to meet the demand for soy milk in all these undernourished lands, in support, particularly, of the nutrition of post-breast-fed babies, growing children, and of the adult population as far as possible.

Dr. Van Deen says in his article published in the American Journal of Clinical Nutrition, "Even the huge milk surpluses in a number of dairy countries at the present time do not solve the problem. Moreover, for older infants and younger children other protein foods besides milk are needed. In economically undeveloped countries those protein-rich foods have to be very cheap."

It is important to create in these lands food supplies indigenous to the country that will be ever available to them, since to just introduce a product such as skim milk that might be cut off from them at any time would be of no lasting use to the population.

Also, they are unable to buy expensive, costly foods that are imported because of the shortage of dollar exchange. When we consider the economic returns of the average family head in these countries and the high price of producing dairy products—which have an additional cost in special processing such as evaporation or spray drying to make them transportable — and then the cost of transportation to these far distant lands, plus handling charges and shipment locally and their distribution and the cost of educating the people not accustomed to a western product and that may not be long lasting, it becomes all important to introduce the soybean, even if not cultivated in these countries. However, China and other southeast Asia lands grow soybeans in considerable amounts.

The Japanese are perhaps the best per capita nourished people of the Asiatic races. Imagine them as maintaining a population that is more than half that of the United States on tillable soil no more than that found in the state of California. Through intensive farming and heavy use of fertilizers to the soil they have raised the yield per acre of land to a production of 13,000 calories per day. And on their land they are able to supply the nutritional requirements for a person on .2 acre, as contrasted to 1.8 acres in America.

One-half of the calories of farm products in the United States go to animal feed. But in Japan only 5% of their calories come from meat, milk and eggs. Their annual consumption of the soybean as their main protein supplier is 50 pounds per capita, whereas they realize their needs are at least 150 pounds to supplement the other available foods. Japan is destined to be the pace setter for the undeveloped, starving races of Asia, Africa and other heavily populated lands.

Realizing that the great need of the human race was to give infants a good start nutritionally, and that the nutritional lack in these undeveloped countries was a suitable food for babies following their nursing periods and something to supplement the diet of the growing child, I developed some 30 years ago from soybeans some milk that was both palatable, nourishing and inexpensive to meet this need. Unfortunately these developments came at a time when there was considerable internal war in China among the War Lords. Following this, of course, was the interruption of the Japanese invasion of China. This interfered with the distributions that we had in mind for the product, in which the Nationalist government of China was tremendously interested previous to the Japanese invasion.

Milk Plant in Shanghai

After 1945 it looked as though we had a little open time for the development. The Chinese government put in a million-dollar soybean plant in Shanghai. It was completed and ready for operation just prior to the takeover of Shanghai by the Communists in 1949 which ended this. But the soy milk business has been spreading to other parts of Asia, first to the Philippines then Hong Kong, and now it has been taken up by the United Nations who are pushing the use of soy milk in Indonesia. The Indonesian people have used Tempe, which is a form of boiled soybeans that have been inoculated with the aspergillus. In that way they have consumed a considerable amount of soybeans. But here the bean was not in a form where babies or young children could make use of it.

In North America and European countries, and many of the South American countries in times past, we have looked on the soybean as something good for the people of these undeveloped countries, as affording a cheap source of protein. But with the tremendous increase of population in North America and European lands it is becoming evident that we must look toward taking more of our calories from vegetable sources, and especially protein.

Therefore, the International Nutrition Research Foundation has been doing a considerable amount of technical research work, also research

Excellent Plant Sites

In The Heart Of The Soybean Processing Area

M. H. MARKWORTH

Industrial Development Department

NICKEL PLATE ROAD

Terminal Tower—Cleveland, Ohio

SPEED YOUR FREIGHT — SHIP NICKEL PLATE

feeding experimental work, as well as a study of how to incorporate the soybean into the American and European diets. The field of allergy and many other difficult feeding cases, and also the treatment of many special diseases, have led to an increased interest in the soybean as a possible source of supplying the nutritional requirements of the ever-increasing cardio-vascular disease. So the rise in market price of edible soybeans for human consumption has been very rapid and most encouraging and bids fair to occupy a large place in the commissary.

Extensive comparisons have been made through animal as well as human feeding experiments comparing vegetable proteins and those found in meat, milk, cheese and eggs. At one time the soybean was supposed to contain all of the amino acids in sufficient proportion for human nutrition. However, it is generally known, as a result of our feeding experiments, that it is a little low in methionine. When blended with other products of agriculture that are rich in methionine we see better yields.

Dr. Bruce Jones many years ago made the statement that soybeans seemed to support nutrition very satisfactorily. However, in his work he found that when a little wheat or corn was added to the diet he got slight betterment of the nutritional state in feeding work.

Having then determined that the soybean can adequately support with its high biologic protein human and animal nutrition requirements, with some minimal supplementation, the question arises as to its availability for world nutrition among the undeveloped countries.

Due to lack of fuel and to processing equipment the Oriental countries have heretofore eaten the soybean in rather a crude state. However, they have been able by subsequent cooking to make many tasty dishes, using flavors popular with the people of their country.

Through our laboratory and dietetics departments, utilizing the base soy materials that have been found which are now made available from the soybean by certain manufacturers—and also processes which we have developed for extracting soy protein and refining it, we have been able to put out very satisfactory products as follows: soy milk, soy cream, acidolphilus soy milk (which corresponds to buttermilk), cottage cheese, a cream cheese spread, processed cheese in loaf form, very similar to the ordinary cheeses that are in the cold compartments of supermarkets, and vegetable margarine.

No single product of the soil should be considered an indispensable food, or that it contains all of the elements essential for nutrition for the human race the world over. Humanity likes variety in its diet. But soy does serve the purpose of being a protective element in the diets of people to make sure the food supports growth, maintenance, and their body resistance against infection. Where soy products have been available in the undeveloped areas of the world there is shown a marked improvement in health, stature, and bodily resistance to infection.

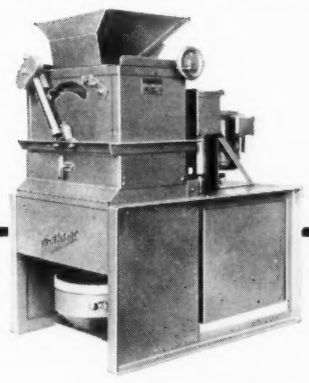
Now with the ability to install practical soy milk and soy cheese plants in countries, especially the tropics, where soybeans do not grow well and the need of protein is so great, there is opened to the soybean industry a tremendous field of opportunity. This field should also receive a liberal apportionment of funds for research. Some research has been given to this subject, but it's infinitesimal with what is required.

It'll pay you to own a new

GUSTAFSON

mist-o-matic

SEED TREATER



WHY?

Did 3 large elevator companies in Minnesota change over 37-30-24 stations respectively to the Mist-O-Matic method of treating?

Did 2 competitive elevators, in the same North Dakota town, each install 2 Mist-O-Matic treaters?

Did 3 individual operators in a Wisconsin town all install Mist-O-Matic treaters?

Have large, nationally known, seed processors changed over to the Mist-O-Matic method?

Are hybrid corn growers changing from the old slurry method over to the Mist-O-Matic method?

Have 100's of other operators in the United States and Canada changed to the Mist-O-Matic treater?

HERE'S WHY!

1. They wanted UNIFORMITY in treating of ALL THE SEED.
2. They wanted a treater which would be EFFECTIVE and EFFICIENT with any chemical, liquid or slurry.
3. They wanted an INSTANT CLEAN-OUT.
4. They wanted a treater EASY to install.
5. They wanted PUSH BUTTON operation.
6. They wanted LOW operational and maintenance costs.
7. They wanted FEWER moving parts, therefore, less repairs.
8. They wanted to give their customers the BEST in seed treating service.
9. They wanted the business of treating seed to be PROFITABLE.
10. They wanted a treater with the RIGHT price.

BEN GUSTAFSON & SON MFG. CO.

6501 CAMBRIDGE STREET · MINNEAPOLIS 26, MINNESOTA

(formerly of Moorhead, Minnesota)

Plan International Nutrition Conference

Propose a working conference of officials from interested countries to tackle world nutrition problems. Soybeans can play a big part.

By FLORENCE ROSE
Executive Secretary, Meals for Millions Foundation, Inc., Los Angeles, Calif.

DURING the past year or so, our newspapers and radio have brought us either terrifying or inspiring news of Sputniks, guided missiles, rockets to the moon and other portents of the new space age in which we live.

I welcome this opportunity to bring to members of the soybean industry up-to-date information about another Intercontinental Missile — a soybean-guided Friendship Missile—known as the "3¢ meal of Multi-Purpose Food." Our nonprofit Meals for Millions Foundation has been sending this food around the world during the past 12 years—into over 100 countries — with a "fall-out" that has not brought terror, but only goodwill and goodhealth, to thousands of hungry people on every continent, where millions drag out their lives in sickness, misery and hopelessness.

ASA's 38th Meeting

There isn't time to review the dramatic history of the development of this food at the California Institute of Technology. The literature at our exhibit booth will supply this information. I can only say that Multi-Purpose Food consists of soy grits fortified with minerals and vitamins. Two ounces provide one-third of a day's nutritional requirements for protein, minerals and vitamins (except C) at a cost of 3¢.

We have shipped over 54 million of these "3¢ meals" all over the world. The pennies and dollars of concerned Americans made these shipments possible. We are unendowed and unsubsidized. These shipments resulted in such impressive experience reports from medical and public health officials, from relief agencies, from tuberculosis sanitaria, leprosaria, schools, refugee camps, etc., that there is no longer any need to prove that hungry people welcome and thrive on Multi-Purpose Food. Establishing such proof constituted, in effect, *the first stage* of our nutritional rocket. . . . designed to provide an example of the principle underlying the development of MPF by Dr. Henry Borsook, namely, that:

"We have the tools and technology and the resources to feed and nourish the world's hungry people, *if we will utilize the protein-rich oilseed meals of the world that have not been considered suitable for human consumption before.*"

FOR

ROLL GRINDING & CORRUGATING OR NEW ROLLS

CALL

Twin City Machine Co.
MINNEAPOLIS 14, MINN.

For over 50 years we have been famous for perfect Workmanship and prompt Service. We are now equipped to grind Flaking Rolls up to and including 24" diameter.

Memphis Convention

Your 1948 convention in Memphis, Tenn., was the site of the second stage of the MPF-IDEA, which is to assist other countries to produce their own counterpart Multi-Purpose Food, from their own resources. Some of you may recall that an Indian scientist told of his difficulties in introducing soybean milk to the children of India, despite their great need for protein. After that meeting, we met and agreed on the value of trying to go one step further by producing an Indian MPF, and Meals for Millions made a modest contribution to help pay for the research involved. A chain reaction began that day that has since led to the development of an Indian MPF that utilized peanuts as the protein base. There are *5 million tons of such peanut meal* annually available in India that can be made fit for human consumption!

The Minister of Agriculture of India became president of our Indian Meals for Millions Association formed in 1955 to make the Indian people aware of this new approach to their age-old problem. Prime Minister Nehru authorized funds for the initial pilot plant now operating at the Central Food Technological Research Institute at Mysore. Meals for Millions has used the off-take of that pilot plant to introduce the Indian MPF by purchasing over 100,000 pounds to date of the Indian product. . . . in addition to the 10 million meals of soy-based MPF shipped into India prior to 1956.

The great United Nations agency, UNICEF, is prepared to assist the government of India in setting up large-scale production, after certain preliminaries are completed. Possibly the most impressive evidence of the value that India places on the potential of this food is the fact that a grant of $25,000 has been made to our nongovernmental Indian affiliate to help it popularize and publicize the existence of this new food.

I have spoken at some length about India because no country can claim its problems are more difficult. But India is not the only country that we have assisted to develop its own Multi-Purpose Food. There is a soy-based Multi-Purpose Food in Brazil now, and doctors and businessmen and politicians are becoming excited about its values. We have purchased over 100,000 of the Brazilian MPF.

In the Philippines our president is the past president of the World Health Organization, Dr. Juan Salcedo, Jr., and UNICEF has already been approached regarding the possibility of producing a coconut-based Multi-Purpose Food.

In Japan, the director of the National Institute of Nutrition, Dr. Kunitaro Arimoto, serves as chairman of our Japan affiliate, and he states his conviction that utilizing soybean meal in the form of Multi-

Purpose Food will provide from 30% to 40% additional protein value. In cooperation with Mr. Shizuka Hayashi and your Japanese American Soybean Institute, we hope there will soon be a Japanese MPF utilizing American soybeans as the protein base.

As newspapers, magazines and governmental articles began to appear in the American press and in foreign publications, and as our American soy-based MPF introduced this new nutritional idea into so many near and remote corners of the world, more and more inquiries came to us, asking how similar foods could be produced locally. To attempt to assist each country individually, we soon realized, would be a slow process, beyond the limitations of our time, finances, and small staff. Yet the urgency of the problem demanded some short-cut that might cut by a generation or two the time-lag between knowing an idea is good, and doing something that would place essential information into the hands of interested governmental officials or concerned civic leaders.

Trial Balloon

This is the background that led us to send up a trial balloon in the May issue of the Soybean Digest, proposing the idea of an International Conference to which would be invited principally officials on the ministerial levels from interested countries, such as the ministers of health, social welfare or agriculture, or their deputies who might attend such a conference in their unofficial capacities, perhaps, but who hopefully could act in their official capacities on their return to implement programs developed at the proposed conference. We are not thinking of the usual type of conference, where papers are presented and discussed. We are thinking of what might be termed a "shirt-sleeve conference," where visiting officials will have an opportunity to meet with experts whose specialized knowledge could be brought to bear on the solutions of specific problems of the countries represented. Participating would be representatives of growers and millers of oilseeds high in protein, such as soybeans, peanuts, cottonseed, sesame, as well as representatives of governmental and United Nations agencies concerned with technical aid and the financing of economic development programs.

To see if the idea would be welcomed by those we wanted to serve, we tested it at the recent *World Health Organization assembly* which you will recall met in Minneapolis from May 22 through June 24. This provided Ernest Chamberlain, secretary of Meals for Millions, and me with an opportunity to personally discuss the conference with the ministers of health or their deputies from 27 of the 85 countries represented.

Expert in health procedures as all these delegates were, it was like blowing a cloud away from the sun when they were given the simple statistics that there are 56 million tons of oilseed meals produced in the world annually, most of it unused for human food—and I don't believe this includes coconuts. All expressed enthusiasm in participating in such a conference, if the means could be developed to bring them to the conference location. It has been suggested that such a conference might be sponsored by the California Institute of Technology, or that it might be broken up into regional conferences, to tie in with meetings of specialized U. N. agencies, such as WHO, FAO and UNICEF.

To indicate the degree of interest by just a few examples: The Min-

To the

SOYBEAN GROWERS of America

We extend a salute for having insisted through the years on keeping soybeans in a position of production for consumption, — not production for storage. You have been realistic about prices, have used support prices judiciously, and have built your industry into the world's largest and most efficient production unit. We are proud to be a part of such an industry—to process into finished goods the products of the farms of Mid-America—supplying soybean oil for the tables of the world—and soybean oil meal for the livestock feeders of America.

LAUHOFF SOYA CO.

DANVILLE, ILLINOIS

Phone 6-4770

ister of Health of Ceylon and the chairman of the social planning board of Indonesia both stated that they would initiate projects immediately on their return from Minneapolis. The Minister of Health of Liberia made immediate plans to utilize a ton of soy-based MPF that we donated to stimulate research projects in that country. We pledged over 40,000 pounds of American MPF to these and other delegates that wanted to start "eating-is-believing tests" and to spark research. In countries in Southeast Asia, we offered allocations of the Indian MPF as well, to enable them to decide better which oilseed might be best for their specific needs.

From Minneapolis, I went to New York and to Washington to consult with officials of UNICEF and the International Cooperation Administration, and the State Department, to see what aid might be available from these sources and to get the benefit of their suggestions. We are cheered by the interest of Vice President Nixon, Senator Humphrey and other national leaders in this international-do-it-yourself conferference. There are many problems that must be considered, however, that require all the wisdom that we can assemble from those best qualified to give it.

There is no group anywhere that is better qualified to take a leading part in this battle to provide protein than the members of the soybean industry. As your world ambassador, Meals for Millions has mobilized and continues to mobilize world opinion to a realization that malnutrition is preventable, and that soybean meal provides a low-cost, high-protein human food.

It has been inspiring to hear of what you are all doing in this field, but we believe that, working together, we can "shoot for the moon" that the soybean industry can provide the "booster" that will get into nutritional orbit around the world, an idea that has so important a bearing on the politics and prosperity and the peace of that world.

Yesterday, Dwayne Andreas of Honeymead Products Co. gave us an inspiring example of what such interest can mean, by offering Meals for Millions a carload of soy grits, a gift that will help provide an additional half-million meals of soy-based MPF that can tremendously accelerate our programs in Japan and Spain and Italy.

The cost of financing the proposed conference is trivial compared to the great issues at stake. President Eisenhower has urged that each industry adopt some people-to-people project through which it can strengthen a better understanding of America abroad.

We hope that the soybean industry will regard it as a "natural" for Meals for Millions to serve as your industry's people-to-people project.

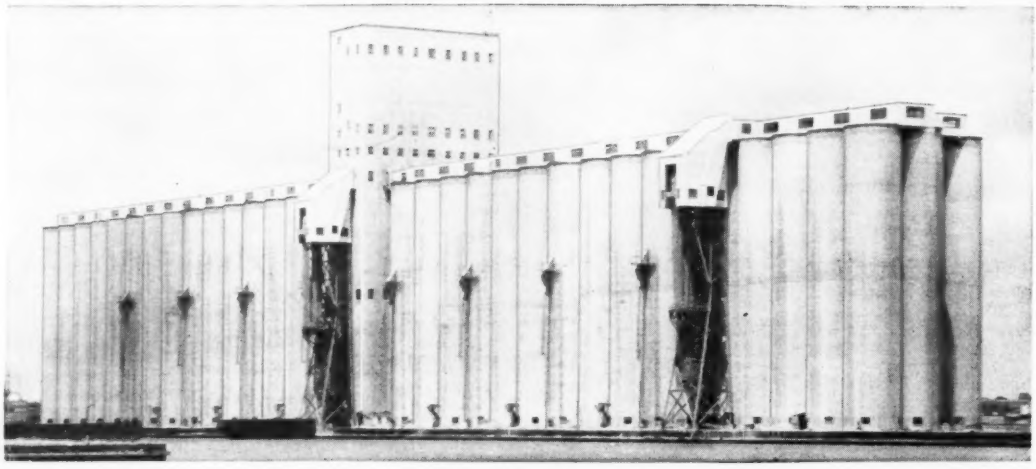
Mr. Fixo

NODOGEN'S
PRE-TESTED
INOCULATOR

- Pre-tested on growing plants
- Insures better legume crops
- Promotes repeat seed sales
- Increases YOUR profits

NODOGEN LABORATORIES
2750 W. 35th St., Chicago, Illinois

RICE GRAIN CORPORATION



Operating the Rice-Powell Elevator on Lake Calumet in Chicago

THE WORLD'S MOST MODERN MARINE TERMINAL ELEVATOR

Capacity 6,750,000 Bushels

Domestic and Export Merchandisers of Grains and Oilseeds

371 Board of Trade Bldg. 141 W. Jackson Blvd., Chicago WEbster 9-2757

The Soybean Cyst Nematode Quarantine

Twenty-four soybean producing states are now under survey for the nematode. Over a million acres have been surveyed to date.

By R. A. ROBERTS
Plant Pest Control Division, Agricultural Research Service, U. S. Department of Agriculture, Washington, D. C.

R. A. Roberts

THE SOYBEAN CYST nematode, *Heterodera Glycines* Ichinohe, a serious pest of soybeans in Asia, was first found in the United States in New Hanover County, N. C., in 1954. The North Carolina infested area was placed under state regulation immediately.

The nematode is a small eel-like worm which enters the root of the soybean plant. The female worm completes it growth and protrudes from the root as a white body no larger than the head of a pin, which enlarges, changes to a yellow color and eventually is transformed to a dark brown, lemon-shaped cyst.

The female, after maturity and fertilization, produces several hundred eggs, some of which are extruded directly but the majority of which remain protected in the hard chitinous cyst. The eggs may hatch in a short time or they may remain alive for several years, protected within the cyst. When the eggs hatch, the worms or larvae attack and enter the rootlets of the plant and begin another generation.

ASA's 38th Meeting

Three to four generations may occur each year. When high populations of the nematode develop, literally thousands of nematodes attack each plant. The plant denied of its nutrition wilts, yellows and becomes stunted. Bean yields are thus seriously reduced.

Damage To Soybeans

The nematode has been reported from Japan, Korea and Manchuria. In Japan the relationship of soybean damage to the nematode was observed as early as 1915. The disease there is known as "yellow dwarf" because of the stunting and yellowing of the infested soybean plants.

Scientific studies have been made in Japan showing the decreased height and weight of infested plants as well as the reduction in the number of pods produced per plant. Reduction in bean yields has been determined and it appears in the case of spotted infestation reduction in yield may be as high as 70%, and where the entire field is heavily infested the loss of the crop may be complete.

Ichinohe of the Agricultural Experiment Station in Hokkaido, Japan, states that the disease begins in Japan "toward the middle of July, about 2 months after sowing," and "in the fields the disease occurs in more or less circular patches, while in serious cases the whole field is affected."

In the United States the soybean cyst nematode was found in North Carolina in 1954; in Tennessee and Missouri in 1956; and in Arkansas, Kentucky and Mississippi in 1957.

Damage to soybean plantings was evident in North Carolina at the time the pest was discovered there, stunted and chlorotic plants appearing in the "more or less circular patches" described by Ichinohe. Losses in yields from these fields were considerable and in the heavily infested spots, losses were complete. Damage has persisted where growers continued to plant soybeans on these infested fields without due regard to crop rotation.

On discovery of the soybean cyst nematode, a survey of the damage was made and all available literature regarding its economic importance was studied. From this preliminary survey and study, it was concluded that information regarding the pest

SOYBEANS!— NEW LOWS AHEAD?

With this year's crop exceeding 500 million bushels for the first time in history, many farmers and traders are worried about the prospects for Soybean prices.

Our Research Department has prepared a Special Report answering this question in detail. It is available to Soybean Digest readers, free of charge, upon request.

THE Robert Moody GRAIN ANALYSIS

Wheat - Corn - Oats - Rye - Soybeans
P. O. Box 1821
San Diego 12, California

3 months—$25 6 months—$45 One Year—$80
Special Four-Week Trial—$5.00
(Trial offer expires October 15, 1958)

should be brought to the attention of appropriate officials of all soybean-growing states. Accordingly, on July 1, 1955, the plant pest control division directed a memorandum to state regulatory officials of soybean-growing states furnishing available information about the pest and urging that agricultural workers make observations for unexplained damage in soybean fields.

Although the initial infestation in Tennessee was located on a complaint of symptoms of an unrecognized disease in a soybean planting, pronounced crop damage did not appear until 1958. At the present time, 24 fields in five Tennessee counties are showing the more or less circular patches, often of an acre or more in extent, with characteristic stunted and yellowing plants. The total acreage of the 24 fields amounts to 1,600, while the combined portions showing damage exceeds 200 acres. Varieties of soybeans affected are: Lee, Ogden and Dorman.

It is suggested that the American Soybean Association give consideration to sending a trained observer to the infested area in Tennessee in order that the Association may have additional basis for arriving at an opinion as to the seriousness of this pest.

Survey

For the purpose of finding all existing infestations of the nematode and determining the limits or extent of these infestations, survey is an important part of the soybean cyst nematode program. Quarantine measures cannot be applied until the infestation is located, thus the nematode may spread from an unknown infestation, so it is important that it be found promptly. The entire problem of the soybean cyst nematode cannot be evaluated properly as to adopting overall control or eradication measures until the full extent of the infested acreage has been determined by adequate surveys.

Survey may be made in three ways or by a combination of these three methods.

1—**Soil sampling.** Consists of collecting samples of soil at specified intervals in a grid or similar pattern, following which the composite soil sample for the field is washed and the residue material examined for cysts. This method may be carried out in any season of the year, weather permitting.

2—**Plant root examination.** The plant is lifted from the soil and the roots examined for white and yellow females or for matured cysts. This is a very productive type of survey but may be carried out only at favorable portions of the plant growing season.

3—**Survey for areas showing damage symptoms.** In this method fields are examined for unexplained areas of unthrifty or diseased plants and plant roots are then examined or soil samples taken to make a definite determination.

On June 30, 1958, survey was in progress in 24 soybean-producing states. Altogether over a million acres have been surveyed by the soil sampling or root examination method during the past several seasons.

RESULTS OF SURVEY IN SIX INFESTED STATES

State	Acres surveyed*	Infested counties	Infested properties	Infested acres
Arkansas	211,388	2	106	4,149
Kentucky	24,002	1	7	785
Mississippi	60,766	1	1	300
Missouri	164,256	3	101	3,568
North Carolina	195,999	3	110	2,494
Tennessee	73,581	4	126	7,214
Total	729,992	14	451	18,510

*In infested and noninfested portions of the state.

In 18 noninfested soybean-growing states 287,719 acres have been sampled. The fields sampled were selected from those which have been in continuous soybean production for several years or in fields where some unexplained type of damage to soybean plants had occurred.

Federal and State Quarantines

With the finding of this nematode in Tennessee and Missouri and in view of the serious nature of the pest as reported from Asia and evidenced in North Carolina, a public hearing was held in Washington, D. C., Jan. 31, 1957, for the purpose of considering the advisability of the establishment of a federal quarantine against the nematode and such a quarantine was promulgated becoming effective July 26, 1957.

Three states were placed under quarantine: North Carolina, Tennessee and Missouri; and on Oct. 10, 1957, the quarantine was extended to include Arkansas, Kentucky and Mississippi which subsequently had been found infested. State quarantines or appropriate regulations containing provisions parallel to the federal regulations were promulgated promptly by each of the infested states.

It is believed that members of the American Soybean Association concerned with the storage, processing or transportation of soybeans should be sufficiently familiar with the purpose and general character of the federal soybean cyst nematode quarantine in order to understand clearly how the quarantine affects them individually at the present time, or how it may come to affect them in the future should circumstances require extension of the regulated areas.

The purpose of the federal quarantine is to prevent long-distance spread of the nematode from the known infested localities. It is, however, a document based on practical considerations and the reasonable manner of its implementation has permitted processors and other handlers of beans to conform with the

Trading In Futures?

Our Commodity Market Letter is available upon request. It gives a daily report of market activities which many traders find useful. No obligation; just send your name and address to

D. R. COMENZO & CO.

141 West Jackson Blvd.
Chicago 4, Illinois
WAbash 2-8860

42 Broadway
New York 4, New York
WHitehall 3-6722

Members

American Stock Exchange (Associate)
Chicago Board of Trade
Chicago Mercantile Exchange
Commodity Exchange, Inc.
Midwest Stock Exchange
New York Coffee and Sugar Exchange
New York Cotton Exchange
New York Mercantile Exchange
New York Produce Exchange
Winnepeg Grain Exchange

Wool Associates, New York Cotton Exchange

Private Wires TWX NY 1-3005

regulations without undue interference with their operations.

When an infestation is found in a state the entire state is quarantined but the regulations apply only to that portion of the state which is designated in Administrative Instructions PPC-624 as regulated area. These administrative instructions are revised from time to time when it is necessary to add new areas. Growers, processing plants, storage plants, shippers, common carriers and other firms or individuals are required to abide by the regulations.

The quarantine names the following regulated articles:

1—Soil, separately or with other things.

2—Nursery stock and other plants with roots attached.

3—True bulbs, corms, rhizomes and tubers.

4—Root crops.

5—Soybeans.

6—Small grains.

7—Ear corn.

8—Hay, straw, fodder and plant litter of any kind.

9—Seed cotton.

10—Used farm tools, implements and harvesting machinery.

11—Used construction and maintenance equipment.

12—Used crates, boxes, burlap bags, and picking sacks, and other used farm products containers.

13—Other farm products and farm equipment, processing machinery, trucks, wagons, railway cars, aircraft, boats and other means of conveyance, and unlimited by the foregoing, any other products of any character whatsoever.

Certain of the regulated articles are exempt from the requirements of certification when they are grown, produced, harvested, handled or stored in such a way as *not* to constitute a hazard in the spread of the soybean cyst nematode. These articles and exemptions are listed in Administrative Instructions PPC-623.

The primary means of transporting nematodes or cysts is in soil either separately or in articles or products contaminated with soil.

Examples of gross soil movement are:

1—The movement of soil in connection with highway construction.

2—The movement of potting soil for greenhouse use.

Examples of soil in relation to other things:

1—Balled nursery plants.

2—Transplants, such as tomato plants.

3—Soybeans contaminated with soil.

Commercial soybeans are permitted to move when so harvested that the beans or containers for the beans do not come in contact with the soil during harvesting and if the beans are moving forthwith to a designated oil mill or storage facility for crushing, processing, or uses other than planting. These beans move under a dealer-carrier agreement to a designated crushing or processing plant under stipulation that sanitary conditions will be maintained at the plant whereby trash, debris, or any other byproducts of cleaning will be disposed of in an approved manner such as by incineration, heating to 150° F., or by fumigation. These beans or products produced therefrom may move into trade channels without the application of a certificate. A designated plant may be located outside of the regulated area.

If the beans are not harvested as outlined above, they must move to the designated mill or processing plant under a limited permit which stipulates that they must be kept segregated from nonregulated beans and be processed on the premises.

Soybean seed for planting, when harvested so as not to come in contact with the soil, when recleaned at

USDA Approved

Insure Accuracy with the NEW Suttle Samplers

No. 34-344 Boerner Sampler
USDA reviewed and specified, the *new* Suttle Boerner Sampler now contains heavier gauge pockets to give you greater use than ever before. Samplers are made of rust-resistant brass and copper of finest workmanship—made for the industry for the past five years by Suttle. Suttle Boerner Samplers are now offered to Grain and Feed inspectors, processors, and dealers direct or through Suttle Dealers. Available immediately and in quantity. **Price $124.75 ea.**

No. 100-327 Modified Sampler
For reducing samples of grain or seed, to mix or blend, to divide two or more streams of unlike material. Made to gov't specifications of heavy galvanized enameled steel. **Price $69.00 ea.**

No. 291-351 Boerner Multiple Divider
Reduce samples taken with Pelican Sampler, or otherwise. Larger or smaller samples are obtained by adding or removing sections. **Price, with 2 center sections, $117.50 ea.; add. center sections $28.25 ea.**

For further information about Suttle Grain Sampling Equipment, as well as Portable Bulk Scales and Conveyors, write to Suttle.

Distributor Inquiries Invited

Manufacturers of equipment for Agricultural Testing, Weighing and Production—Since 1910

SUTTLE EQUIPMENT CORPORATION

401 N. 15th Street, Lawrenceville, Ill.
Phone: Lawrenceville 782

135 S. LaSalle Street, Chicago 3, Ill.
Phone: DEarborn 2-3108

a designated plant, and placed in new, unused bags and protected from further contamination may be moved under certificate from the regulated area.

Small grains are handled the same as soybeans.

Cotton. It has been found that after ginning, cotton lint and cottonseed, if protected from further contamination, does not represent a hazard of spread of the nematode. Cotton produced on infested land is moved to a designated gin where the further movement of burs, gin trash or other debris is regulated and controlled. Burs and trash may be incinerated, moved under supervision to a designated location for burning, composted on the premises or buried on the premises under 2 feet of soil. Since gin trash and burs (in some localities referred to as hulls) have been found to contain soybean nematode cysts, they are not permitted to be taken to farms for spreading on fields. Cottonseed hulls produced at crushing mills are not considered as hazardous.

Used farm tools, implements and harvesting equipment and used construction and maintenance equipment. Used equipment moving from the regulated area is hazardous to the spread of the nematode because of attached soil or plant debris which may be in or on the equipment.

Cleaning procedures involving washing, use of compressed air, steam or fumigation or a combination of these methods is prescribed.

Strict adherence to these procedures in long-distance and interstate movement of construction equipment, farm harvesting equipment and other equipment is mandatory.

Local movement of farm equipment along the fringe of the regulated area must be handled in a practical manner, as for example, when a grower has properties on each side of the line. Full compliance with recommended procedures at this point becomes increasingly effective as growers realize the danger of thus spreading the nematode. When growers reach the point where they refuse to have uncleaned equipment brought on their farms and owners insist that equipment be cleaned before it is moved from one of their known infested properties to another that is uninfested, local action will then in effect sustain enforcement of the regulations on a local basis. This end can be hastened through the continuing educational program by which growers are informed of the life history and habits of the nematode and its methods of spread.

Other regulated articles. Procedures are prescribed for the movement of nursery stock, transplants, bulbs and tubers, root crops, ear corn, hay, straw, boxes, crates, and other containers.

All other articles, equipment, vehicles or products of any character whatsoever, when found by the inspector to constitute a hazard of spread, may be regulated as to movement under the provisions of the quarantine.

Dealer-carrier agreements. Dealer-carrier agreements are executed with handlers and processors of soybeans and small grains, with cotton ginners and other processors, packers, shippers and handlers of regulated articles. Standard or uniform stipulations and requirements have been established as specifications for these dealer-carrier agreements. Some 200 such agreements have been executed.

Research

Research on various phases of the soybean cyst nematode problem is underway by federal and state agencies. At a conference in Washington, D. C., in April 1958, these agencies discussed progress of the work and coordinated the assignment of new phases of investigations to be undertaken. In addition to other research in progress, studies are being made as to new and improved treatments for articles moving under the quarantine.

The plant pest control division welcomes suggestions as to present operations and future procedures from both the American Soybean Association as an organization and from its members individually.

Soviet Union Modernizes Its Crushing Industry

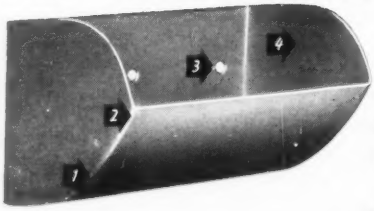
THE SOVIET UNION has completely modernized its oilseed crushing industry since World War II, according to USDA's Foreign Agricultural Service.

In 1957, the entire oilseed crop was processed by the continuous screw press methods (over two-thirds) and by solvent extraction (nearly one-third). By contrast, in 1941 oilseed crushing relied primarily on the hydraulic press method. Over half of the total crushing capacity of the industry was destroyed during the war.

In 1941, the USSR had 139 oilseed crushing mills in operation, based predominantly on hydraulic presses, supplemented by 22 screw press and 5 solvent extraction units (probably batch). Total annual capacity of the industry was about 3.9 million short tons. The actual crush was around 3.3 million.

In 1956, there were 146 oil mills in operation, only a few more than 15 years earlier. However, with the installation of at least 26 modern continuous solvent extraction units and 846 screw press units, Russian crushing capacity has been nearly doubled. Capacity was estimated at about 7.5 million short tons. The actual crush in 1956 was about 5.9 million tons.

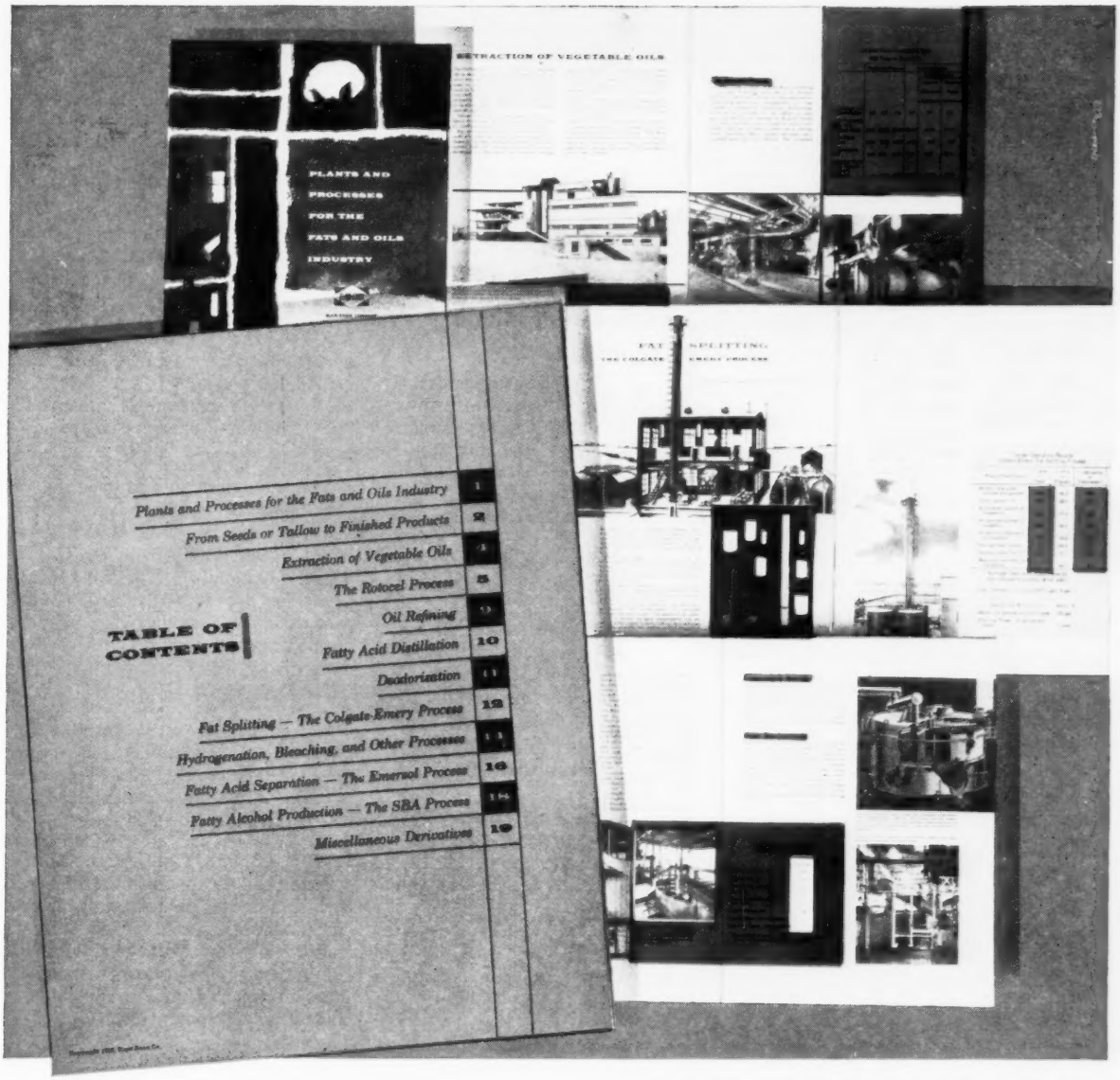
First Choice Wherever Grain is Handled



Your jobber has them, or write B. I. Weller Company, 327 South LaSalle Street, Chicago 4, Illinois.

(1) The logarithmic curve design loads easier . . . dumps cleaner . . . permits high speeds.
(2) Scientifically formed lip aids in greater cup capacity.
(3) Bolt-hole placement gives better cup balance . . . saves belting.
(4) Hyperbolic sideboard ends permit greater load capacity without "slopping."

CALUMET CUPS



Plants and processes by Blaw-Knox for the fats and oils industry are discussed in Bulletin No. 2515. Write for your copy.

for the Fats and Oils Industry a complete BLAW-KNOX engineering and construction service

Chemical Plants Division of the Blaw-Knox Company has, for many years, worked closely with the fats and oils industry in developing new processes, improving standard equipment and processes, and designing and building more modern and efficient processing plants. This experience and specialization is available to you in new plant construction or in expansion of existing facilities. We invite you to discuss your plans with our engineers.

for plants of distinction . . .

BLAW-KNOX

Chemical Plants Division with headquarters in Pittsburgh

Branch offices in New York, Chicago, Haddon Heights, N. J., Birmingham, Washington, D. C., San Francisco

GRITS and FLAKES . . . *from the World of Soy*

J. W. Withers

K. L. Overley

Form New Memphis Brokerage Firm

A new brokerage firm to deal in vegetable oils and meals, grain and feed ingredients, has been organized under the name of **Overley & Withers.** Offices are at 4711 Poplar Ave., Memphis 17, Tenn. Partners are K. L. Overley and J. W. Withers.

Mr. Overley, who is a native of Kentucky and a graduate of Vanderbilt University, was with the Glidden Co. for 12 years before going to Memphis in 1952 to be associated with Laws, Overley & Shelton.

Mr. Withers is a native of Memphis and was formerly with E. L. Burgen Co. for 5 years. He is a graduate of Mississippi State University and past president of the Memphis Athletic Club.

Both partners are members of the Memphis Board of Trade, Memphis Grain & Hay Association and Memphis Feed & Grain Club.

Named Superintendent Of Mobile Elevator

Docks Director Knox L. McRae has announced the appointment of Charles G. Miller of Mobile as superintendent of the **Alabama State Docks Public Grain Elevator,** effective immediately.

Miller, 46, a native of Independence, Mo., has had extensive experience in the grain business for the past 20 years. Prior to coming to Mobile in 1951 as superintendent of the Alabama Grain Elevator Co., he was assistant superintendent of the port elevator in Galveston, Tex., which position he had held for 6 years.

In 1956, Miller left the Alabama Grain Elevator Co. to become a buyer for a local grain export company.

INOCULATE SOY BEANS

with

Urbana Culture
Superior Legume Inoculator

IT PAYS!

The Urbana Laboratories
Urbana, Illinois

Spencer Kellogg & Sons, Inc., Buffalo, N. Y., has announced the appointment of James S. Williams as general superintendent. Mr. Williams entered the employ of the company in 1937 in the Edgewater, N. J., mill and was called to the administrative offices in Buffalo in 1955.

Work has been started in the former Chase building in St. Joseph, Mo., on the construction of new general offices for **Dannen Mills.** The remodeled offices will be completed in early fall. Dannen's purchased the five-story structure several months ago.

The 32nd annual fall meeting of the **American Oil Chemists' Society** will be held Oct. 20-22 at the Sherman Hotel, Chicago, with C. W. Hoerr, Armour & Co., as general chairman and A. V. Graci, Jr., Wurster & Sanger, as program chairman. Emphasis will be on synthetic detergents, nutrition and plant safety.

Lester McAleer, Independence, Iowa, has joined **Archer-Daniels-Midland Co.** as salesman for Archer Booster Feeds. He will represent Archer animal and poultry feeds in 13 northeastern Iowa counties.

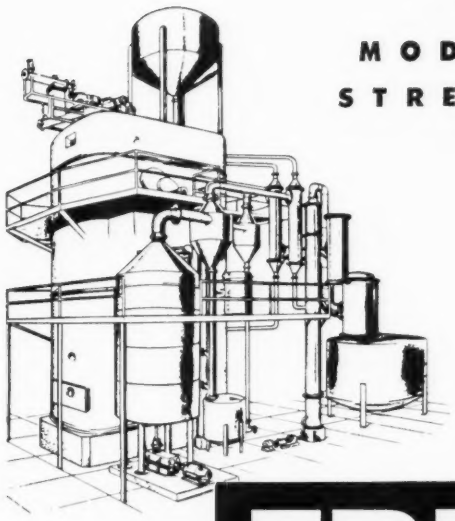
PTC Cable Co., St. Paul, Minn., announces the appointment of Deel, Inc., 533 Santa Fe, Salina, Kans., as Kansas sales agent for its line of electronic temperature indicating equipment. Deel, Inc., distributes Ehrsam Grain Handling Machinery and other equipment as well.

Nickel Plate Road has issued soybean production maps for 1957 for Indiana, Ohio and Illinois. Acres planted, acres and bushels harvested, by counties, the location of soybean processing plants and the Nickel Plate Road are shown on the maps.

A. J. (Carl) Luther, director of sales training for **Archer-Daniels-Midland Co.** and prominent in national sales and promotion fields, retired July 1. His plans for the future include marketing and sales management consultant work. Mr. Luther has been with ADM 18 years. He became director of sales training in 1953.

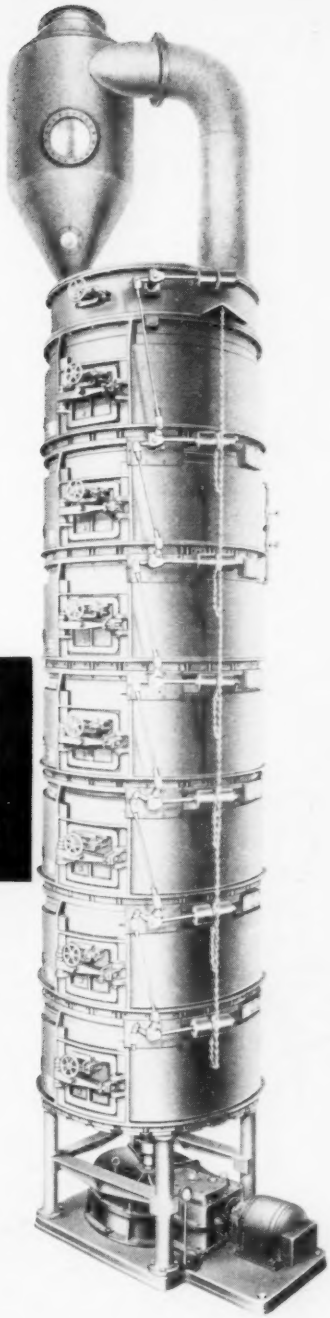
An honorary doctor of laws degree was awarded by Oberlin College to Dale W. McMillen, founder of **Centrol Soya Co., Inc.,** and its feed division, McMillen Feed Mills. He is a member of the Oberlin class of 1904.

follow the trend



EXPAND
MODERNIZE
STREAMLINE

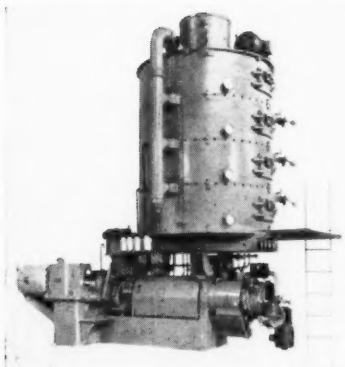
cut operating costs
reduce solvent loss



FRENCH
OIL MILLING EQUIPMENT

French, the world's largest manufacturer of vegetable oil processing equipment, can show you how to cut operating costs . . . increase capacity . . . and improve product quality. Our engineers have made complete studies of many operating plants of all makes—and have shown management how to cut costs and increase capacity . . . all at very low cost. Ask us to make recommendations for boosting the efficiency and profits of your plant. Write to FOMMCO, Extraction Division, Piqua, Ohio.

French patented Desolventizer-Toaster.



French Continuous Mechanical Screw Press. Residual oils as low as 2.5%.

FO7

THE FRENCH OIL MILL MACHINERY CO.
PIQUA, OHIO—U. S. A.

- MECHANICAL SCREW PRESSES
- COOKER DRYERS
- SOLVENT EXTRACTION PLANTS
- FLAKING AND CRUSHING ROLLS

CROP REPORT

USDA Prediction: 536-Million-Bushel Crop

THE DEPARTMENT of Agriculture forecast the first 500-million-bushel soybean crop in its Aug. 1 report. The 535,887,000 bushels predicted are a full 56 million bushels more than last year.

Earlier, the National Soybean Crop Improvement Council as of Aug. 1 forecast a U. S. crop of 517.2 million bushels. And C. M. Galvin, Francis I. duPont & Co., predicted a total yield of 527.2 million bushels.

A near record per-acre yield of 22.9 bushels—only a fifth of a bushel below last year—on a record acreage to be harvested of 23.3 million were combining to produce the record crop. This year's acreage is 2.6 million larger than last year.

It did not appear that there would be an appreciable late August or early September movement of the crop, as has happened in some recent years, when the Soybean Digest went to press.

Moisture continued plentiful most places though some dry areas were appearing in Wisconsin, South Dakota, Minnesota and Iowa.

Unusually weedy conditions were being reported in many parts of the belt.

Reports of our correspondents:

Alabama. E. E. Purvis, Baldwin Oil Mills, Foley (8-19): Wet weather delayed harvesting potato crop. As a result, beans that followed potatoes are much later than usual and will cut yield as much as 35% on late plantings.

Florida. E. N. Stephens, county agricultural agent, Escambia (8-18): Too wet following small grains and potatoes. Also continued rains have prevented cultivation on late planted beans in some areas of our county. As a whole crop looks good and total yield should exceed 1957 due to increased acreage.

Illinois. J. E. Johnson, Champaign (8-22): Chas. M. Johnson recently flew across Indiana and Ohio twice, parts of Indiana and Ohio once. Water damage is general as it is in most of Illinois. Have opinion amount of damage never given reasonable consideration in crop estimates made to date. Local elevator men and growers share opinion as to lateness of crop, 95% say full 2 weeks. They do not expect high yield of 1957, and will be most happy with fair to normal yield. Plant growth deceptive. Pod set not heavy, nodes farther apart than normal due to excess moisture throughout the season. Root growth not as deep as normal. Harvest will be much later. This will be aggravated by heavy growth of weeds, particularly grass and giant foxtail. Worst infested fields must wait until frost kills growth so harvesting can be done without difficulty.

Walter W. McLaughlin, Citizens National Bank, Decatur (8-18): More weeds than usual. Also more down beans. Plenty of moisture. Quite a bit of sunshine and warm weather. Yield hard to estimate at this time. Beans are taller. Nodes are farther apart. Many fields too wet to plow at right time.

Indiana. J. B. Edmondson, Danville (8-18): Crop week to 10 days ahead of past 2 years. Crop will all mature unless unseasonable frost comes. Have made unusually heavy growth due to continuous moisture. Some of taller varieties going down. Yield looks equal to 1957, which was high in this area, and could go 5% to 8% above. Weeds the greatest threat for several years.

Minnesota. John R. Thompson, agronomist, University of Minnesota, Waseca (8-20): Looks like maturity will be a little later but plants are small and dry weather will hasten maturity. Plants podding well but bean size probably will be small. Driest year in this area since the mid-30's. Cool weather made growth slow and more weeds than normal are competing for very limited moisture supply. Yield will be down 10%-15% at least.

Mississippi. D. Gray Miley, Panther Burn Plantation, Panther Burn

SOYBEANS FOR BEANS, AUGUST 1958, CROP REPORTING BOARD, AMS, USDA

State	Yield per acre			Production		
	Average 1947-56 Bushels	1957 Bushels	Indicated 1958 Bushels	Average 1947-56 1,000 bushels	1957 1,000 bushels	Indicated 1958 1,000 bushels
New York	16.0	18.0	16.0	97	108	80
New Jersey	19.4	14.0	24.0	518	616	1,032
Pennsylvania	17.6	13.0	19.0	398	221	304
Ohio	22.0	23.0	23.0	23,290	32,683	33,741
Indiana	22.3	24.5	24.0	38,865	52,994	54,960
Illinois	23.4	25.5	27.0	90,978	126,837	139,995
Michigan	20.0	22.0	23.0	2,278	5,192	6,325
Wisconsin	14.3	17.0	15.0	693	1,717	1,785
Minnesota	18.4	21.5	19.0	26,839	54,804	58,444
Iowa	21.7	26.0	26.0	39,630	72,592	78,988
Missouri	18.0	21.5	19.0	25,211	35,196	37,525
North Dakota	12.8	18.5	15.0	627	3,404	3,975
South Dakota	14.4	16.5	15.5	1,462	3,069	3,922
Nebraska	19.4	27.0	28.0	1,582	3,699	5,432
Kansas	11.4	11.5	17.0	4,043	2,461	5,593
Delaware	16.4	17.5	22.0	1,345	2,572	3,564
Maryland	17.6	18.5	22.0	1,870	3,496	4,136
Virginia	17.4	20.0	22.0	2,997	4,960	5,918
North Carolina	16.4	21.0	22.0	4,894	8,736	9,064
South Carolina	11.3	15.5	17.0	1,266	5,100	6,035
Georgia	10.6	14.0	14.0	410	1,400	1,540
Florida	[1]18.9	23.0	21.0	[1]347	1,035	966
Kentucky	17.7	20.5	21.0	2,194	2,665	2,940
Tennessee	17.7	22.5	22.0	3,322	4,208	5,126
Alabama	19.1	20.0	20.0	1,488	2,440	2,560
Mississippi	15.7	19.0	20.0	6,016	11,685	14,760
Arkansas	16.9	23.5	23.0	12,253	32,500	42,895
Louisiana	16.6	21.0	22.0	975	2,499	2,640
Oklahoma	10.7	17.0	17.0	410	510	714
Texas	[1]16.2	26.0	32.0	52	442	928
United States	20.3	23.1	22.9	296,294	479,841	535,887

[1] Short-time average.

SOYBEAN FUTURES

A Systematic Method that has shown 71 consecutive Profits since 1948.

These results have been confirmed by a very successful trader who is a member of the Chicago Board of Trade and six other Commodity Exchanges.

For more detailed information, write to

Philip T. Berkley
132 W. Broadway
San Diego 1, Calif.

(8-20): Growth of plants was delayed and plants are much smaller than usual. This is particularly true of late planted beans. Crop movement will begin about Sept. 15 for Dorman and Oct. 1-15 for Lee. Weed control very poor in most areas.

Missouri. Carver Brown, Laddonia (8-21): Maturity of crop a week late. 95% will mature before normal frost. August has continued wet though not as wet as July. A few fields have drowned out and some others quite weedy. Yield outlook 25% to 40% above 1957.

Harold Lumsden, Essex Grain Co., Essex (9-18): Majority of beans will mature about frost. Lots of fields look like 35 to 40 bushels. 15% of crop will move in September. More weeds than normal.

Nebraska. D. G. Hanway, College of Agriculture, University of Nebraska, Lincoln (8-22): Warm temperatures and favorable moisture have allowed crop to develop rapidly. Yields should be good. Coolness delayed development but they still should mature. Weeds generally are not serious.

North Carolina. George E. Spain, North Carolina State College, Raleigh (8-21): Crop condition good to excellent. Adequate moisture general throughout state, especially in area of most intense soybean production. A wet June and July have resulted in a lot of bush on soybeans in this area. Indications are that we can expect more lodging as a result. Mexican bean beetles, velvetbean caterpillar, corn earworm giving some trouble. More southern stem rot than in past few years.

Ohio. Calvin Heilman, Kenton (8-20): An earlier than usual frost could catch some beans. Crop condition better than usual except for weeds and some water damage. Because of plentiful moisture weeds have not damaged crop as much as they would in dry year. Root rot present in most fields because of adequate moisture has not done much damage. Yield outlook about same per acre as 1957. Acreage up about 5% so there will be some increase in total yield. Weediest condition in years will slow combining.

D. G. Scott Farm, Marysville (8-20): Crop condition some hurt by rains. Too much plant growth, less pods and stems. Yield will be less than 1957. Crop movement will begin week later than 1957. More weeds than usual.

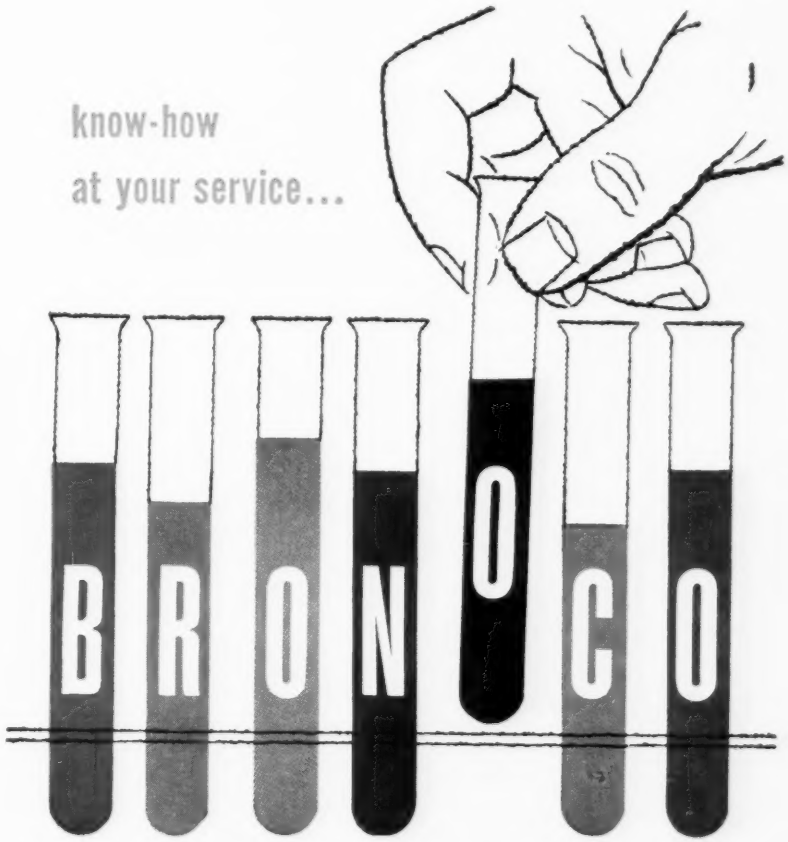
Oklahoma. Ralph S. Matlock, Oklahoma State University, Stillwater (8-21): Maturity 10 days earlier than normal. Crop condition good. Yield outlook 50% better than 1957. Crop movement will begin slightly earlier unless September rains heavy.

Texas. Jack G. King, Texas Agricultural Experiment Station, Lubbock (8-21): Plants have made good growth past 2 weeks. Most beans beginning to set pods. Most growers starting to apply second irrigation. Weather has been hot and dry. Daytime temperatures have averaged 98 and nighttime temperatures 64. Since all soybeans are grown under irrigation, hot dry weather is preferred. Yields should average about 25 bushels, about same as 1957. This low yield result of new growers in soybean production each year. Old growers will average 40 bushels. Crop should move to market about 2 weeks earlier this year than last.

Virginia. Louis H. Groh, Louis Groh & Son, Inc., Clay Bank (8-19): Maturity about 10 days later than normal. Plenty of moisture. Crop condition good. Yield outlook 20 bushels as compared to 10 last year. Army worms have struck in this area and quite a few growers are having fields sprayed by airplane.

Turkey's Fats, Oils Down

TURKEY'S SUPPLY of fats and oils for the year beginning Nov. 1, 1957, is estimated at 10% below that of the previous year, reports Foreign Agricultural Service. This is attributed to declines of almost two-thirds in domestic olive oil production and of about one-third in sunflower seed oil output.



EXTRACTION SOLVENTS

Whether you're satisfied with the quality of the products you're now making, or whether you're looking for ways to improve them, it is smart business to talk to your Bronoco representative. He knows the last word in solvents. And he also knows the finest of products can always be made a little bit better.

Avail yourself of the experience Bronoco has accumulated during the past 40 years . . . 40 years devoted to supplying solvents unequalled in dependable quality, uniformity, performance.

THE R. J. BROWN CO. • 1418 WITTENBERG AVE. • ST. LOUIS 10, MISSOURI
Plants in Chicago, Cleveland, Detroit, Louisville, St. Louis, Memphis • In Canada: 150 Bronoco Ave., Toronto 10
For Service Call Your Local Bronoco Distributor

WASHINGTON DIGEST

Public Law 480 Extended 18 Months

By PORTER M. HEDGE
Washington Correspondent for The Soybean Digest

A LOWER PRICE support for soybeans in the future is implied in the new farm bill which recently cleared both houses of Congress and was sent to the President with the blessing of Secretary of Agriculture Ezra Taft Benson.

Support for soybeans produced this year is $2.09 a bushel. This was 70% of parity when the support level was announced.

Soybean support for the 1959 crop could drop to $1.82 a bushel and still be in the same relation to corn if corn producers accept the new feed grain price arrangement in a referendum sometime this fall.

Corn producers will be given the option of voting for the program they have now which allows those keeping within the allotments a price support of not less than 75% of parity, or the new program which would support all corn at not less than 65% of parity. A majority of those in the commercial corn area favoring the new plan would put it into effect for the 1959 crop.

Oats, rye, barley, and grain sorghums would be supported at levels more or less reflecting their comparative feed value with corn. In past years this usually has been about 5 percentage points below corn.

In recent years the soybean price support also has been kept in about the same relation to corn. If the new corn program is voted in, as now anticipated, a soybean support reflecting 60% of parity could be expected for the 1959 crop. At current parity this is $1.82 a bushel.

Congress has agreed to the extension of P. L. 480 until Dec. 30, 1959, with authorization to use $2½ billion in surpluses.

Mandatory barter provisions in the original House extension bill were watered down so as not to be objectionable to Secretary of Agriculture Benson.

An amendment by Senator Hubert Humphrey of Minnesota to give the Agriculture Secretary authority to use "excess" cottonseed oil in the 480 program was adopted. Humphrey had introduced the amendment in the original Senate farm bill, but it was not included in that law as finally passed.

The amendment requires the Department of Agriculture to estimate how much the "excess" due to increased cotton amounted to in any year. Then, it is permissive for USDA to take this amount off the market and distribute it overseas through the voluntary nonprofit relief agencies.

The "excess" has been estimated within a probable range of 150 to 300 million pounds—roughly 3% to 6% of combined annual cottonseed and soybean production in recent years. The amendment provides a tool for the trade and farmers to press action on USDA.

Supply Outlook

Lifted by the record soybean crop, total supplies of edible fats, oils, and oilseeds will set another new record in the coming 1958-59 marketing year.

An increase of about 10% to around 13.4 billion pounds, oil eqivalent of production, is expected. Stocks of food fats including the oil equivalent of soybean carryover are about 20% higher than last year.

The increase in soybean supplies including carryover is estimated at 700 million pounds of oil; cottonseed is up the equivalent of 75 million pounds; and lard output is expected to rise 200 million pounds. Thus, the boost in these three fats alone represents the equivalent of nearly 1 billion pounds of fat.

These are estimates reported in the latest Fats and Oils Situation prepared by George Kromer of the Agricultural Marketing Service, and approved by USDA's Outlook and Situation Board.

Domestic disappearance of food fats is expected to continue to show an increase due to growth in population. Use per person is likely to continue at about the same rate. No forecast is made of exports of beans and oil for the 1958 season, except that "a heavy outward movement" is probable. Competition in world markets will remain keen, the report says.

Cottonseed production is up about 4% this year, based on the August crop report. Peanut output is up

NELLIS
FEED COMPANY
Brokers
of Soybean Oil Meal
4010 Board of Trade Building
Wabash 2-7322
TWX 623
Chicago 4, Ill.

Strategically Located
To give you prompt, courteous service on top quality "Purity Brand" Soybean Oil Meal.
44% Protein Extracted Toasted Solvent Meal of Uniform grind, golden color, and original nut-like soybean flavor.
QUINCY Soybean Products Co.
1900 So. Front St.
Quincy, Ill.

around 15%, with CCC likely to acquire a substantial portion of the crop.

The USDA estimate of total soybean crush for the current season has been lifted to 350 million bushels, about 35 million above last year's record. Bean exports are running slightly ahead of last year. Through August, 78 million bushels had been shipped. Roughly 10 million more are expected to move this season.

Carryover 20 Million

Soybean carryover is figured at 20 million bushels now. Some 15 million of this probably will remain in Commodity Credit hands, USDA says. More than 35 million bushels of soybeans have been delivered to CCC. At last report based on information in mid-July another 11 million bushels were believed still under support but not delivered. CCC has sold 29.1 million bushels of takeover beans to supply the demand for crushing and export through Aug. 14. Sales have lately tapered off.

USDA still feels that cottonseed and soybean oil exports will hit the 1,100-million-pound mark before this export year is ended. October-June exports of soybean oil totalled 544 million pounds, a fourth lower than last year for the same months. Cottonseed oil exports for the period were 230 million pounds, over a third smaller than a year ago.

However, substantial supplies still remained to be shipped under the 480 program. Total soybean oil exports are estimated at 835 million pounds for the season, and cottonseed oil at a 265-million-pound total.

The 1,100-million-pound export figure would be 10% less than exports a year ago. About 70% of the total will move under P. L. 480 and ICA (International Cooperation Administration) programs.

Japan's Soybean Imports Up January-April Period

JAPAN'S SOYBEAN imports January-April 1958 were up about 30,000 tons as compared with the same period a year ago—258,000 metric tons as compared with 228,000 metric tons, reports Foreign Agricultural Service. All of the increase was accounted for by the United States.

Since prices declined about 15% during the year, the value of imports was down $2 million from a year earlier.

JAPAN: SOYBEAN IMPORTS, FROM ALL SOURCES, AND FROM THE UNITED STATES, JANUARY-APRIL 1956-58 (1,000 metric tons)

1956		1957		1958	
Total	From U. S.	Total	From U. S.	Total	From U. S.
298	246	286	228	315	258

The effects of Communist China's boycott on trade with Japan are not reflected in the figures because this embargo was not proclaimed until May 1958.

- MARKET STREET -

We invite the readers of THE SOYBEAN DIGEST to use MARKET STREET for their classified advertising. If you have processing machinery, laboratory equipment, soybean seed, or other items of interest to the industry, advertise them here. Rate 10c per word per issue. Minimum insertion $2.00.

WANTED—200 USED STEEL buckets for bucket elevator size 10 or 11 x 7. Soybean Digest, Box 319-O, Hudson, Iowa.

STEINLITES—COMPLETELY REbuilt at Fred Stein Laboratories, Atchison, Kans., who are the manufacturers. Seedburo rebuilt Steinlites carry full year guarantee. Write for details. Dept SD, Seedburo Equipment Co., 618 W. Jackson Blvd., Chicago 6, Ill.

WAYMATIC BAGGER — 30-DAY free trial. Bag and weigh 6 to 10 bushels per minute at lower cost. Makes any platform scale an automatic bagger-weigher for all free-flowing materials. Absolutely accurate. $295. Write for full information. Finco Inc., Aurora 24, Ill.

WANTED: FLAKING AND CRACKing rolls, meal coolers and driers and rollermills. Soybean Digest, Box 319-J, Hudson, Iowa.

FOR SALE—ANDERSON Expellers and French screw-presses, cookers, driers, 5-high, 48-inch crushing rolls, 36-inch attrition mills, sewing machines, hammermills, cracking rolls, filter presses. Ray L. Jones, 1923 Hayselton Drive, Jefferson City, Mo.

STEEL GRAIN BINS—SOME 3,300, 4,400, 6,000, 7,000, 8,000 and 9,000-bushel capacities available at attractive prices. Midwest Steel Products Co., 121B Railway Exchange Bldg., Kansas City 6, Mo.

FARMERS—TRUCKERS—GRAIN dealers. Before marketing your grain get expert analysis by mail. Details free. Farmer's Service Laboratory, 552 Honore Drive, New Orleans 21, La.

SEND FOR FREE INFO ON OUR remarkable advances in the forecasting of grain futures price trends. Commetrics Institute, 14944 Rhinestone Dr., Sherman Oaks, Calif.

FOR HIGHER OIL RECOVERY AND PURITY

USE

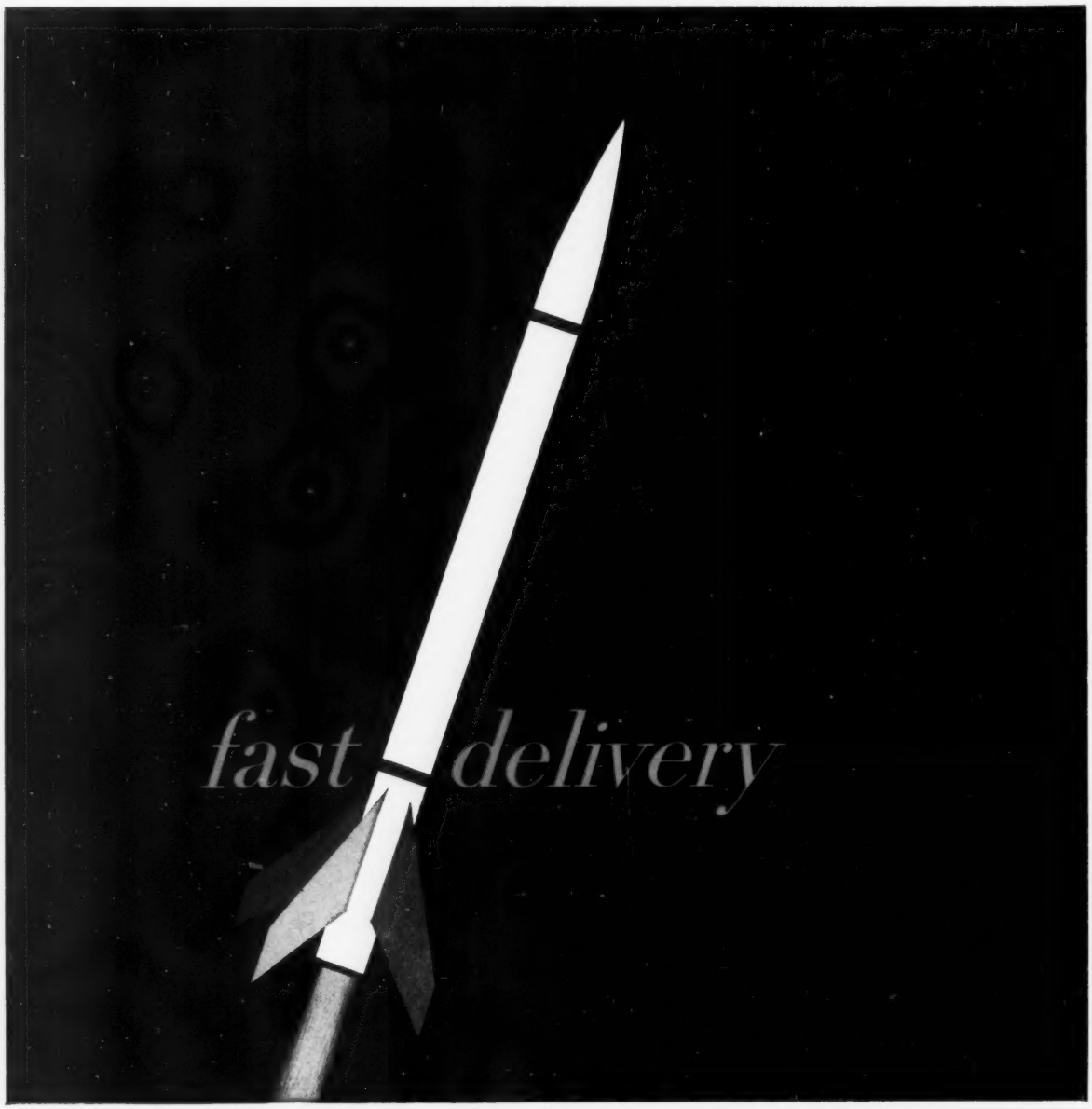
DRAKE HEXANE

Also Heptane and Other Extraction Solvents
Immediate Tank Car Shipments — Deliveries via Transport Truck in Most Areas

DRAKE PETROLEUM COMPANY

6231 North Pulaski Road
Chicago 46, Illinois
Juniper 8-2060

P.O. Box #45
Cedar Rapids, Iowa
Empire 5-5815



WHEN YOU NEED HEXANE FAST... CALL PENOLA

Our multi-location storage facilities and excellent shipping service assure speedy delivery of top-grade Hexane and solvents to your lab or plant.

QUALITY – Penola modern research techniques and facilities mean highest quality Hexane. In addition Penola Hexane's low vapor pressure and narrow boiling range provide efficient solvent recovery and maximum yield.

TECHNICAL ASSISTANCE – The Penola staff of experts will be glad to advise on your processing problems or supply any technical data you require. Just call or write your nearest Penola office.

Penola Oil Company New York • Detroit • Chicago

Penola

first of a series

E. L. McDonnell Co.,
Spokane, Washington

"The new air control on our Super X 29-D is far superior and every bit as beneficial as we had hoped for."—*Ed McDonnell*

C. W. Parker and Co. Ltd.,
Blenheim, New Zealand

"Our 32 year old Super D Clipper does just as good work now as when first installed. It has dressed thousands of tons of Red Clover. Two years ago we had our first repair which amounted to the replacement of one of the variable belts."—*N. G. Parker*

excellence of

Clipper

cleaners

acclaimed 'round the world

To have gained recognition for peak performance, minimum upkeep and thorough reliability on every continent of the world is proof that prime quality is built into every Clipper Seed and Grain Cleaner.

Ask *today* for complete information on the Clipper line—that you may fully understand Clipper's wide acceptance and learn how your own business will profit by their use.

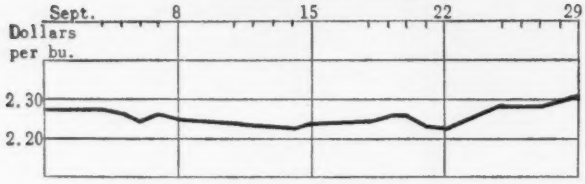
Fred Webb Inc.,
Greenville, North Carolina

"We are very satisfied with our new Super 2248-DS. We figure it has paid for itself and doesn't owe us a cent. The use of this all-steel machine has enabled us to acquire a nice volume of new business."—*Fred Webb*

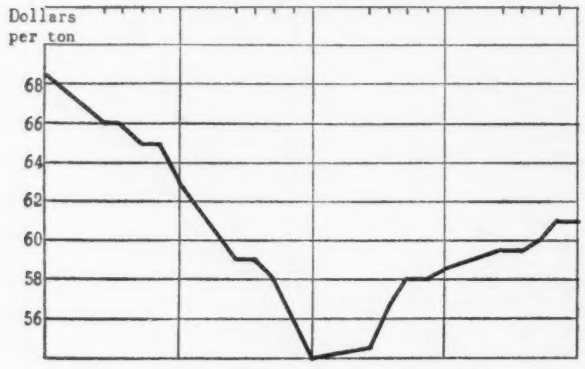
A. T. FERRELL and COMPANY
Saginaw, Michigan

CLIPPER
CLEANERS • DRIERS and HANDLING EQUIPMENT

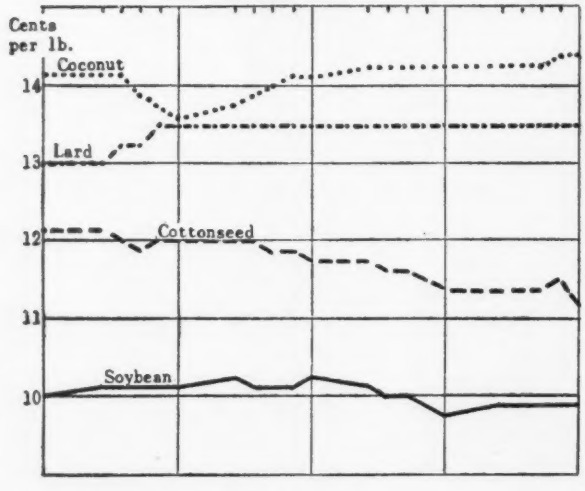
DAILY MARKET PRICES
No. 1 Cash Soybeans, Chicago



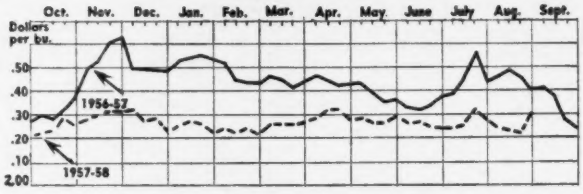
Bulk Soybean Oil Meal, Decatur



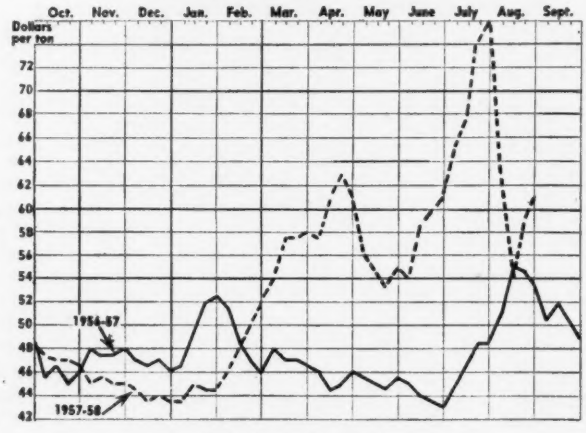
Crude Vegetable Oils and Lard



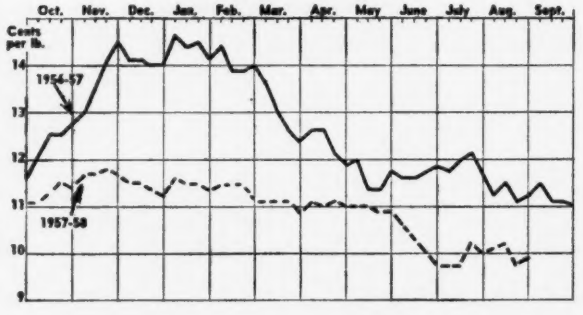
TRENDS AT A GLANCE (Weekly Close)
No. 1 Cash Soybeans, Chicago



Bulk Soybean Oil Meal, Decatur



Crude Soybean Oil, Tankcars



August Markets

ALL MARKETS were weak the fore part of August but showed some strength toward the end of the month. The monthlong decline in the meal market was arrested and reversed at mid-month.

The weather was the usual disturbing influence in August—with the soybean market weakening during hot drying spells that would hasten maturity of the crop, and strengthening when the weather turned cool again.

Other weakening influences in the markets were:

1—The increased volume of spot offerings of meal, coupled with a slow demand and some mixed feed plants going on part time.

2—The alltime-high Aug. 1 soybean crop forecast by USDA.

3—Recent increased offerings of linseed meal.

4—The expectation of a larger cottonseed oil supply this year.

Strengthening influences:

1—Sizable Spanish purchases of soybean oil.

2—Chinese unrest and inflation talk.

3—The report that the July soybean crush was larger than expected—almost 30 million bushels, which is 5 million bushels larger than the same month a year earlier.

4—The announcement that several processors planned to shut their plants for repairs, curtailing the production of meal helped to strengthen the meal market late in August.

BYPRODUCTS. The price of soybean fatty acids remained at 15¼¢ per pound during August. Acid soybean soap stock delivered Midwest remained at 4¾¢ and raw soybean soap stock at 1⅜¢ per pound.

1956 AND 1957 SOYBEAN CROPS

	1957-58	1956-57
Soybeans crushed Oct. 1-July 31	297,119,000 bu.	268,308,000 bu.
Exported Oct. 1-July 31	76,965,000 bu.	73,019,000 bu.
Balance on hand Aug. 1 for processing, export or carryover	82,648,000 bu.	69,850,000 bu.
Total soybeans inspected for overseas shipment including lake shipments to Canada Oct. 1-Aug. 23	81,959,000 bu.	80,858,000 bu.

IN THE MARKETS

FACTORY USE VEGETABLE OILS for May and June 1958. Reported by Bureau of the Census (1,000 lbs.)

Factory production and consumption, and factory and warehouse stocks, June 1958-May 1958

	Factory production		Factory consumption		Factory and warehouse stocks	
	June 1958	May 1958	June 1958	May 1958	June 30, 1958	May 31, 1958
Cottonseed, crude	43,206	61,675	72,490	81,102	45,678	71,433
Cottonseed, refined	66,351	74,534	84,589	94,014	169,030	180,047
Soybean, crude	310,913	347,301	314,314	348,191	222,903	245,125
Soybean, refined	299,924	333,009	307,519	344,673	119,796	147,884
Hydrogenated vegetable oils—						
Edible:						
Cottonseed	23,144	22,616	19,723	20,050	11,244	11,682
Soybean	121,767	123,779	106,607	111,819	48,949	45,762
Other	5,949	6,352	5,264	6,086	3,157	3,174
Inedible	(2)	(2)	1,296	1,336	1,616	1,748
Margarine [1]	112,912	121,338	(NA)	(NA)	33,906	34,520

NA—Not available. [1] Data for stocks exclude quantities held by consuming factories. [2] Not shown to avoid disclosure of figures for individual companies.

Factory consumption of vegetable oils, by uses, during June 1958

	Edible products			Inedible products			
	Shortening	Margarine	Other edible	Soap	Paint and varnish	Lubricants and similar oils[1]	Other inedible[2]
Cottonseed, refined	9,039	411	2,160	(3)	(3)	(3)	199
Soybean, crude	.....	.....	.....	(3)	30	352	(3)	1,673
Soybean, refined	48,209	7,705	11,592	(3)	6,890	28	6,554
Foots, vegetable, raw and acidulated (100% basis)	.....	.....	.....	.....	1,684	(3)	(3)	2,904
Hydrogenated vegetable oils,edible:							
Cottonseed	8,629	8,263	2,831	.....	.....	.....	.....
Soybean	33,897	70,104	2,563	.....	.....	.....	.....
Other	2,051	1,948	(3)	.....	.....	.....	.....

[1] Includes quantities consumed in lubricants, greases, cutting oils, dielectric oils, core oils, brake fluids, and metal working. [2] Quantities consumed in linoleum and animal feeds are included in above totals. [3] Not shown to avoid disclosure of figures for individual companies.

Consumption of primary oils in fat splitting

	1958			1957	
	June	May	Jan.-June Cumulative	June	Jan.-June Cumulative
Soapstocks					
Vegetable foots	7,242	6,182	36,800	9,163	46,355

Source: U. S. Census Bureau.

PRICES. Average prices for soybeans received by farmers, effective parity, and support rates, reported by Agricultural Marketing Service (dollars per bushel).

Average farm price			Effective parity	Av. price as percent of parity	National average price support rate		
July 15 1958	June 15 1958	July 15 1957	July 15 1958	July 15 1958	1958 crop	1957 crop	1956 crop
2.11	2.13	2.24	3.04	69	2.09	2.09	2.15

Average farm and parity prices from crop reporting board.

GEORGE LLOYD LEVIN

REGISTERED PROFESSIONAL ENGINEER

2395 UNIVERSITY AVENUE

ST. PAUL 14, MINNESOTA

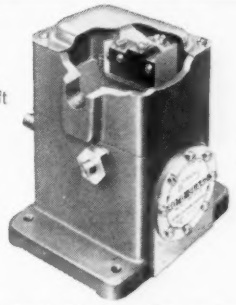
Midway 6-4495

Consulting Engineer to the Soybean Industry

NEW

ROTO-GUARD*

SHAFT MOTION INDICATOR



Connects to rotating shaft

Actuates warning lights or other signals. Operates control switches.

PROVIDES positive indication of drop in speed or stopping of machinery

PROTECTS conveyors • elevators • feeders • belt conveyors

OPERATING SPEEDS of 10 to 150 rpm make the **ROTO-GUARD** applicable to automatic protection of slow-moving machinery used in material handling and similar systems

RUGGED AND COMPACT: approx. 5" x 6" x 6".

SIMPLE • POSITIVE • RELIABLE • LOW COST

A Development of

THE BIN-DICATOR COMPANY

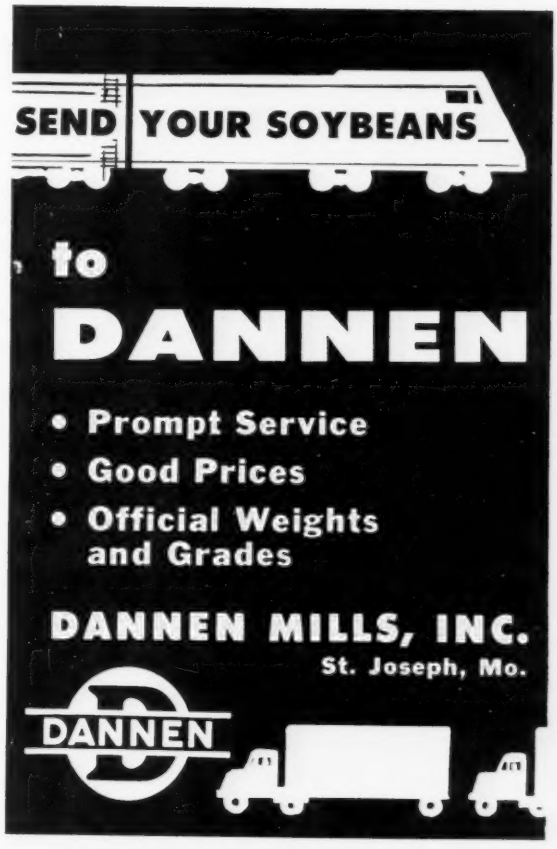
13946-M2 Kercheval • Detroit 15, Michigan

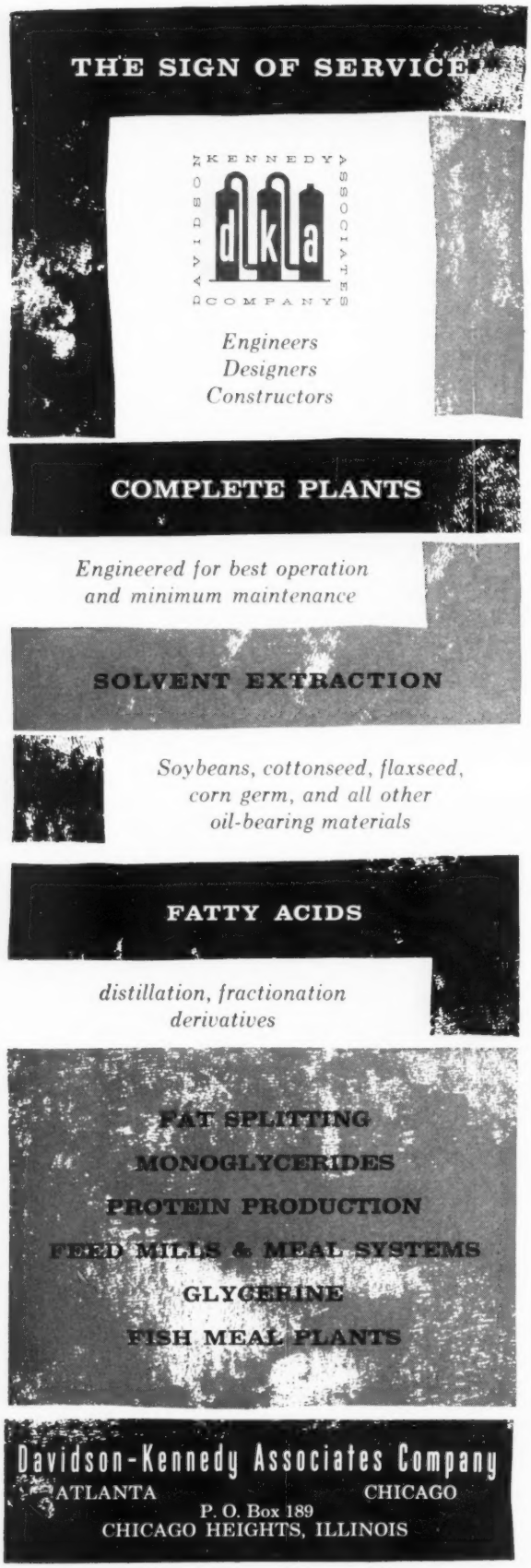
Specialists in Automatic Control Devices for Material Handling Systems for Over 20 Years

*TRADE MARK

Write for Bulletin RG-16

WE SELL DIRECT • PHONE ORDERS COLLECT





PROCESSING OPERATIONS. Reported by Bureau of the Census for June and July.

Primary products except crude oil at crude oil mill locations: Production, shipments and transfers, and stock, July 1958-June 1958 (2,000 pounds)

	Production		Shipments and transfers		Stocks end of month	
	July 1958	June 1958	July 1958	June 1958	July 31, 1958	June 30, 1958
Soybean:						
Cake and meal	714,727	669,556	735,758	691,872	61,314	82,345
Flour	8,438	9,113	8,529	9,006	1,732	1,823

Soybeans: Net receipts, crushings, and stocks at oil mills, by states, July 1958-June 1958 (tons of 2,000 pounds)

	Net receipts at mills[1]		Crushed or used		Stocks at mills	
	July 1958	June 1958	July 1958	June 1958	July 31, 1958	June 30, 1958
U. S.	740,358	720,606	898,680	861,169	927,492	1,085,814
Illinois	244,671	238,935	313,906	280,910	275,203	344,438
Indiana	70,274	89,841	84,163	66,706	103,763	117,652
Iowa	173,265	128,512	146,560	140,089	158,543	131,838
Kansas	[2]	[2]	[2]	[2]	[2]	[2]
Kentucky	[2]	[2]	[2]	[2]	[2]	[2]
Minnesota	103,442	74,274	82,293	67,009	57,502	36,353
Missouri	11,231	21,935	23,173	33,857	48,564	60,506
Nebraska	[2]	[2]	[2]	[2]	[2]	[2]
N. Carolina	[2]	[2]	2,444	5,271	3,239	[2]
Ohio	57,802	77,011	87,097	81,844	134,178	163,473
Texas	[2]	[2]	[2]	[2]	[2]	[2]
All other	79,673	90,098	159,044	185,483	146,500	231,554

[1] Net receipts for each state are derived by subtracting total shipments of beans from oil mills, from gross receipts at mills. [2] Included in "All other" to avoid disclosure of figures for individual companies.

Soybean products: Production and stocks at oil mill locations, by states, July 1958-June 1958

	Crude oil (thousands of pounds)				Cake and meal (tons)			
	Production		Stocks		Production		Stocks	
	July 1958	June 1958	July 31, 1958	June 30, 1958	July 1958	June 1958	July 31, 1958	June 30, 1958
U. S.	327,856	310,913	119,372	113,390	714,727	669,556	61,314	82,345
Ill.	119,428	106,121	33,560	27,528	244,229	213,901	23,302	25,116
Ind.	30,078	23,993	8,839	8,066	67,724	53,162	3,326	7,096
Iowa	51,217	49,456	26,731	29,346	118,137	111,441	5,533	5,110
Kans.	[1]	[1]	635	[1]	[1]	[1]	[1]	[1]
Ky.	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]
Minn.	29,057	22,767	18,793	17,039	68,355	52,432	3,066	2,547
Mo.	8,441	12,364	1,067	3,323	18,713	26,087	2,569	4,123
Nebr.	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]
N. Car.	745	1,312	748	560	2,102	3,638	1,472	2,268
Ohio	31,029	29,283	10,005	5,112	68,640	65,050	4,396	3,934
Texas	[1]	[1]	[1]		[1]	[1]	[1]	[1]
All other	57,861	65,617	18,994	22,416	126,827	143,845	17,650	32,151

[1] Included in "All other" to avoid disclosure of figures for individual companies.

PRICE SUPPORT. CCC price support operations, 1957 and 1956 soybean crops, reported by Commodity Stabilization Service (1,000 bu.)

1957 crop		1956 crop		Total owned by CCC[1]	
Total put under support[2]	Delivered to CCC[3]	Total put under support[2]	Delivered to CCC[4]	July 1, 1958	July 1, 1957
90,555	29,917	65,699	27,305	26,418	6,424

[1] Includes stocks sold but not delivered. [2] Includes both purchase agreements and quantities put under loan. [3] Reported as of June 15, 1958. [4] Total deliveries reported through May 31, 1958.

Soybeans: CCC-owned stocks, June 30, 1958 (1,000 bu.)

Ohio	166	North Carolina	[1]
Indiana	324	South Carolina	1
Illinois	5,644	Kentucky	29
Minnesota	6,679	Tennessee	65
Iowa	12,994	Arkansas	46
Missouri	240	Oklahoma	18
North Dakota	133	Texas	1
South Dakota	74	New Mexico	1
Nebraska	[1]	Evanston area [2]	3
		Total	26,418

[1] Less than 500 bushels. [2] In transit.

PRICE SUPPORT. Loan and purchase agreement deliveries, farm-stored loans outstanding, quantities of purchase agreements producers elected to deliver and total deliveries under farm- and warehouse-stored loans and purchase agreements for 1957-crop soybeans through July 15, 1958, compared with total deliveries of 1956 crops through July 15, 1957, as reported by Agricultural Marketing Service (bushels).

Quantity delivered (farm and warehouse)	Outstanding farm loans	Purchase agreements: Quantity producers elect to deliver	Purchase agreements: Quantity delivered	Total deliveries through July 15, 1958	Total deliveries through July 15, 1957
34,449,615	8,669,029	3,042,067	771,216	35,220,831	23,004,926

EXPORTS. U. S. exports of edible oils in June, according to preliminary data, equalled the volume of June a year earlier. Cumulative exports in the October 1957-June 1958 period, however, were down nearly 30% from the first 9 months of the 1956-57 marketing year, according to Foreign Agricultural Service.

Oilseed cake and meal exports in June were well below those of June 1957. And the cumulative total for the first 9 months of the current marketing year was about 40% less than in October-June 1956-57.

The June volume of exported edible oils was but one-half that of May, when a heavy tonnage of soybean oil went to Spain under P. L. 480 sales. Exported oilcake and meal in June exceeded that of May by about one-fifth.

Cottonseed oil, soybean oil, oilcakes, and meals: U. S. preliminary estimates of exports in June 1958 and October-June 1957-58, and actual exports in June 1957 and October-June 1956-57

	June 1957	June 1958 (Preliminary)	October-June 1956-57	October-June 1957-58 (Preliminary)
	Million pounds		Million pounds	
Cottonseed oil, refined	9.9	6.0	58.9	84.0
Cottonseed oil, refined and further processed	.8	.6	15.6	20.4
Cottonseed oil, crude	30.4	2.0	283.8	125.9
Total cottonseed oil	41.1	8.6	358.3	230.3
Soybean oil, refined	23.3	10.7	63.5	134.0
Soybean oil, refined and further processed	7.9	74.3	311.2	280.2
Soybean oil, crude	31.1	9.7	350.5	128.9
Total soybean oil	62.3	94.7	725.2	543.1
Total cottonseed and soybean oil	103.4	103.3	1,083.5	773.4
		1,000 short tons		1,000 short tons
Cottonseed cake and meal	1	2	26.7	6.6
Linseed cake and meal	1	....	37.1	5.9
Soybean cake and meal	34.1	25.2	366.8	240.1
Total cake and meal	34.3	25.4	430.6	252.6

Compiled from official records of the Bureau of the Census.

Cottonseed and soybean oils and lard: Exports under Title I, P. L. 480 programs, and total exports, October 1954-May 1958 (million lbs.)

	Oct. 1-Sept. 30			Oct. 1-May 30		Oct. 1, 1954 May 30 1958
	1954-55	1955-56	1956-57	1956-57	1957-58	
Shipments under P.L. 480:						
Cottonseed	117	291	55	26	79	542
Soybean	....	279	495	435	286	1,060
Total oils	117	570	550	461	365	1,602
Lard	....	112	65	53	3	180
Total shipments						
Cottonseed	[1]710	[1]611	423	317	222	1,966
Soybean	50	557	807	663	448	1,862
Total oils	760	1,168	1,230	980	670	3,828
Lard [2]	528	663	530	388	277	1,998

[1] Includes foreign donations under Section 416 Title III, P. L. 480. [2] Revised to exclude shipments to U. S. territories.

Fats and Oils: Exports under Title I, P.L. 480, October 1957-June 1958 (million lbs.)

	Edible oils					Linseed oil
	Cottonseed	Soybean	Total	Lard	Tallow	
Brazil	6.9	....	6.9	....	....	....
Colombia	4.5	1.7	6.2	....	....	....
Ecuador	1.9	1.7	3.6	....	3.3	....
Iceland	.2	.3	.5	....	....	.2
Israel	4.4	5.9	10.3	....	4.3	....
Korea	....	....	....	2.7	....	....
Pakistan	13.0	.7	13.7	....	2.1	....
Philippines	....	....	....	....	4.4	....
Poland	2.2	15.2	17.4	....	7.0	....
Spain	....	252.7	252.7	....	....	....
Turkey	58.3	63.3	121.6	....	.6	....
Yugoslavia	1.1	56.5	57.6	....	....	....
Total	92.5	398.0	490.5	2.7	21.7	.2

Title I, P. L. 480, export shipments July 1957-June 1958

	June 1958			July 1957-June 1958		
	Metric tons	Unit	Quantity	Metric tons	Unit	Quantity
Soybean oil	50,894	lb.	112,203,000	182,714	lb.	402,814,000
Cottonseed oil	5,862	lb.	12,923,000	51,210	lb.	112,898,000

"THE SIGN OF QUALITY"

DAVIDSON-KENNEDY CO. D-K ATLANTA, GA. U.S.A.

EQUIPMENT MANUFACTURERS PROCESSING EQUIPMENT

Nearly 70 years of manufacturing fine equipment

DESOLVENTIZER TOASTERS

EXTRACTORS

CRACKING AND FLAKING ROLLS

TOASTERS AND COOKERS

DISTILLATION EQUIPMENT

GRINDERS

FOOT PRESSES

Davidson-Kennedy Company

ATLANTA CHICAGO

P. O. Box 97, Station "D"

ATLANTA, GEORGIA

Soybeans: Inspections for export by coastal areas and country of destination, July 1958 (1,000 bu.)

Gulf		Lake Ports	
Norway	75	Canada	1,614
Netherlands	749	Grand total	6,309
Belgium	28	Total Jan.-July 1958	37,685
West Germany	304	Total Jan.-July 1957	39,446
Korea	166		
Taiwan (Formosa)	165		
Japan	2,980		
Morocco	228		
Subtotal	4,695		

Data are based on weekly reports of inspections for export by licensed inspectors and does not include rail or truck movement to Canada or Mexico. In some cases the ultimate destination of the grain exported is not shown on the inspection reports, therefore, the quantity of each country may vary from official Census data which are based on custom declarations.

Total exports of soybeans through the Port of New Orleans for the fiscal year ending June 1958 was 46,711,000 bushels, the grain department reports. Month of heaviest exports was November, when 7,439,000 bushels were exported.

Total of all exports from New Orleans for the fiscal year was 118,304,506 bushels.

FUTURES TRADING. The volume of futures trading in soybeans and fats and oils showed decreases in the year ended June 30, 1958, reports Commodity Exchange Authority of USDA. Activity in soybean meal futures reached a record.

Soybean futures trading, although showing some decrease in activity, continued to hold second place in point of volume of futures trading, with substantially increased hedging against price risks, as soybean prices eased during the year. The trading volume, mainly on the Chicago Board of Trade, was 3.9 billion bushels, or 12% smaller than in the 1956-57 fiscal year.

Activity in the futures markets for fats and oils, although declining from the high levels of 1956-57, continued in substantial volume. Soybean oil trading on the Chicago Board of Trade, at 8.9 billion pounds, was the second largest volume on record.

Volume of futures trading, by contract markets, by commodities, fiscal years ending June 30, 1957, and June 30, 1958

	Unit	1956-57	1957-58	Percent of increase or decrease
Chicago Board of Trade				
Soybeans	1,000 bu.	4,415,021	3,898,686	—11.7
Soybean oil	1,000 lbs.	12,459,660	8,915,640	—28.4
Soybean meal	tons	5,136,700	6,089,600	+18.6
Chicago Open Board of Trade				
Soybeans	1,000 bu.	63,851	44,481	—30.3
Kansas City Board of Trade				
Soybeans	1,000 bu.	910	0	.....
Minneapolis Grain Exchange				
Soybeans	1,000 bu.	45	10	—77.8
New York Produce Exchange				
Cottonseed oil	1,000 lbs.	4,544,280	3,557,880	—21.7
Soybean oil	1,000 lbs.	123,540	38,940	—68.5
Memphis Board of Trade Clearing Association				
Cottonseed meal	tons	133,000	90,700	—31.8
Soybean meal	tons	1,117,900	595,300	—46.7

Volume of futures trading, all contract markets combined, by commodities, fiscal years ended June 30, 1957, and June 30, 1958

	Unit	1956-57	1957-58	Percent of increase of decrease
Soybeans	1,000 bu.	4,479,827	3,943,177	—12.0
Cottonseed oil	1,000 lbs.	4,551,840	3,570,780	—21.6
Soybean oil	1,000 lbs.	12,583,200	8,954,580	—28.8
Lard	1,000 lbs.	2,439,080	1,555,080	—36.2
Cottonseed meal	tons	133,000	90,700	—31.8
Soybean meal	tons	6,254,600	6,684,900	+ 6.9

STOCKS. Agricultural Marketing Service's commercial grain stocks reports for close of business on Friday or Saturday preceding date of report (1,000 bu.)

	July 29	Aug. 5	Aug. 12
U. S. soybeans in store and afloat at domestic markets			
Atlantic Coast	61	102	68
Gulf Coast	1,721	1,446	838
Northwestern and Upper Lake	1,093	889	884
Lower Lake	4,108	5,120	4,112
East Central	959	1,146	659
West Central, Southwestern and Western	249	0	175
Total current week	8,191	9,030	6,736
Total year ago	6,090	6,342	5,927
U. S. soybeans in store and afloat at Canadian markets			
Total current week	123	144	93
Total year ago	91	4	40
Total North American commercial soybean stocks			
Current week	8,314	9,174	6,829
Year ago	6,181	6,346	5,967

Primary receipts (1,000 bu.) of soybeans at important interior points for week ending:

	July 25	Aug. 1	Aug. 8
Chicago	118	155	152
Indianapolis	4	86	161
Kansas City	45	98	158
Minneapolis	333	336	111
Omaha	95	139	193
Peoria	18	222	130
Sioux City	5	4	—
St. Joseph	8	—	3
St. Louis	7	16	—
Toledo	26	22	6
Totals	659	1,078	914
Last year	1,222	1,503	1,886
Total Chicago soybean stocks	5,085	4,082	4,082

INSPECTIONS. Soybeans inspected by grade and percent, reported by Agricultural Marketing Service.[1]

Grade	July 1958[2]		June 1958		July 1958		Oct.-July 1957-58		Oct.-July 1956-57	
	1,000 bu.	Pct.	1,000 bu.	Pct.	1,000 bu.	Pct.	1,000 bu.	Pct.	1,000 bu.	Pct.
No. 1	5,877	28	8,186	27	5,679	24	74,941	23	47,702	17
No. 2	9,532	45	14,521	48	10,738	46	140,287	43	115,558	42
No. 3	4,042	19	5,976	20	3,743	16	77,028	24	61,233	22
No. 4	1,324	6	1,374	4	2,674	11	25,657	8	37,295	13
Sample	350	2	415	1	782	3	7,520	2	16,727	6
Total	21,125	100	30,472	100	23,616	100	325,433	100	278,515	100

[1] Carlot receipts have been converted to bushels on the basis that 1 carlot equals 1,750 bushels. [2] Of the July receipts, all were yellow soybeans. Inspections of soybeans in July included 6,222,200 bushels as cargo lots, 3,377,575 bushels as truck receipts, and the balance as carlot receipts. Based on reports of inspections by licensed inspectors at all markets.

KANSAS SOYA PRODUCTS CO., INC.

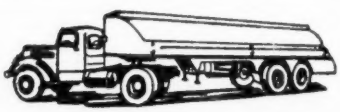
Emporia, Kansas

SUNFLOWER BRAND

Soybean Oil Meal, 44%

Solvent Hexane extracted oil

Phones 3000-01-02 and 3435 Emporia, Kansas

Ship By 

TANK TRUCK

SOYBEAN OIL HAULING
OUR SPECIALTY

Hopper trucks for bulk soybean oil meal.

STILLPASS TRANSIT CO.

CONTRACT HAULERS

Inter and Intra State Tank Truck Operators . Edible Oils

4967 Spring Grove Avenue Mulberry 1-6102—1-6103

Cincinnati 32, Ohio If no answer call Grandview 1-5529

NOW

More Efficient Operation With Phillips *66* High Purity* Normal Hexane

Phillips *66* High Purity Normal Hexane gives you a minimum purity of 85%. With high purity hexane you get more efficient solvent recovery, lowering your over-all operating costs.

Write today for complete information and a free sample of Phillips *66* High Purity Normal Hexane.

PLUS BENEFITS WITH PHILLIPS *66* HIGH PURITY NORMAL HEXANE

- *Low benzene and sulfur content results in improved color and odor of oil*
- *Greater gravity difference than other hexanes—means improved solvent separation and fewer emulsion problems*
- *Lower vapor pressure permits improved operations at higher temperatures*
- *Absence of non-volatile matter. No solvent residue left in meal*
- *Narrow boiling range—improves operation and solvent recovery*
- *Available now—on time deliveries at no increase in price*

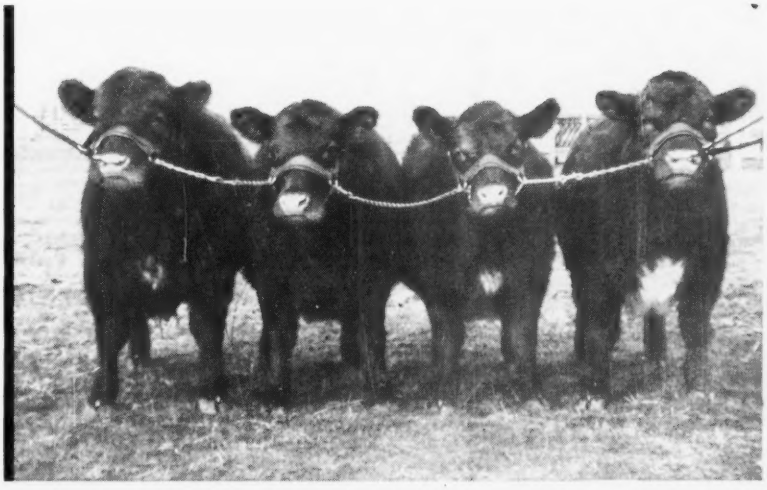
***MINIMUM 85%! For the first time a high purity normal hexane is offered at commercial prices.**

PHILLIPS PETROLEUM COMPANY

Special Products Division • Bartlesville, Oklahoma • Phone Bartlesville 6600

UNIVERSITY MICROFILMS
313 N. FIRST ST.
ANN ARBOR, MICHIGAN

FOUR FAMOUS CALVES—These Wayne-fed Polled Shorthorn calves made a top show record in 1957 for John T. Richardson and Sons, Clayton, Indiana. They won the coveted senior get-of-sire; junior get-of-sire; pair of calves, and first prize senior bull calf awards at the International Livestock Exposition... were undefeated as junior get and pair of calves at five major shows, and won five individual championships. The calf at right was exported to Scotland for $4,200. The Richardson herd has been fed Wayne for more than 25 years.



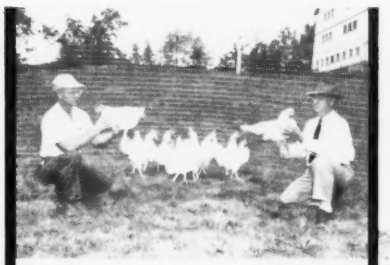
WAYNE FEEDERS ARE

Winners

In show ring, feed lot, production contests

At leading livestock shows and major production contests the country over, Wayne Feeders win top honors time and again, proving that Wayne Feeds consistently produce winning results . . . and *profit-making* results, for livestock and poultry raisers everywhere.

TOP HOG MAN—Dale Henriksen, Gray, Iowa, was rated tops among 25 Master Swine Producers in Iowa for 1957. His Wayne-fed herd had the best record, raising an average of 11.5 pigs per litter with daily gain of 1.3 lbs. They sold at 210 lbs. at 161 days. Henriksen fed the complete Wayne year-around program.



WINNING LEGHORNS—Graybill's Poultry Farm, McAlisterville, Pa., received the 1957 POULTRY TRIBUNE Trophy for highest average production among all breeders entering 5 or more pens in U. S. standard egg-laying contests. George and Leo Graybill report, "We have fed Wayne to our breeding flock for 17 years. We can recommend Wayne for high quality and good egg production".

TOP DAIRY HERD—The Maynard C. Moore registered Guernsey herd, Kent, N. Y., was tops in butterfat production last year in the New York State D.H.I.A. Two years ago Mr. Moore changed from another well-known feed to Wayne...result, feed cost per 100 lbs. of milk down 45 cents...production up an average 470 lbs. per cow. He is well pleased with his increased profits and says, "I also like the Wayne calf feeding program."

READY TO HELP YOU INCREASE FEEDING PROFITS!

For increased profits and improved feeding efficiency in producing meat, milk, or eggs, ask your Wayne Dealer or write for championship feeding programs for poultry and livestock.

WAYNE FEEDS

Allied Mills, Inc. *Builders of Tomorrow's Feeds...Today!*
Executive Offices: Chicago 4, Ill. Service Offices: Fort Wayne 1, Ind.